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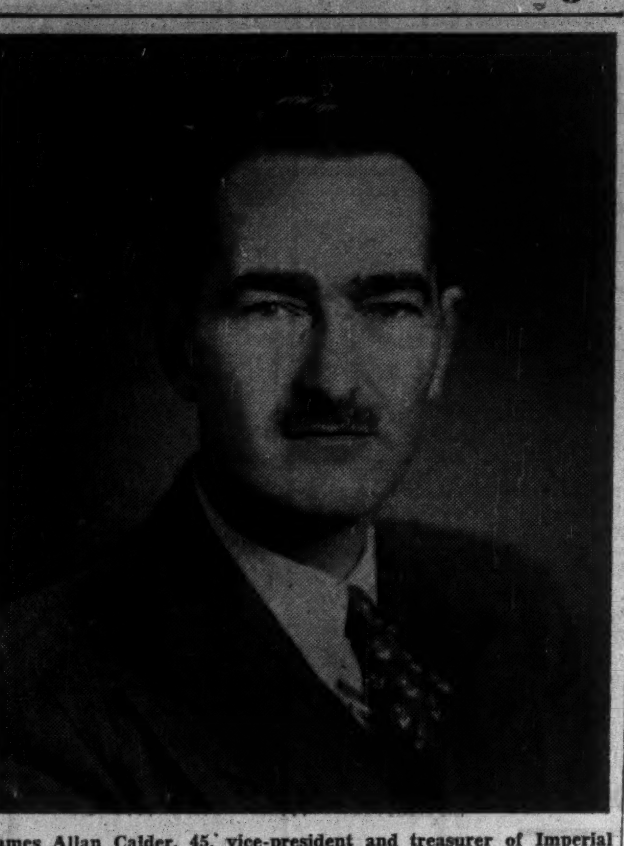
Heads Voice of Industry



James Allan Calder, 45, vice-president and treasurer of Imperial Tobacco Co. of Canada, is the new president of the Canadian Manufacturers' Association, the "voice of Canadian industry" with 6,500 members in 600 Canadian communities.

THE NATION'S BUSINESS

This Won't Help Sell More Cars

Recent layoffs in the automotive industry have made two things crystal clear. First the absurdity of the guaranteed annual wage. Second the danger in the persistent demand of some labor unions for further wage increases this year.

The expected reduction in Canadian car sales this year—estimated at 15%—underlines the fact that there is no guaranteed market for this or any other industrial commodity in a free society. Without such a fixed market, it is literally impossible to guarantee a set number of workers an annual wage. Only under complete socialization and the most rigid regimentation of all society could we have anything like that.

The world had some experience along that line during the war and it didn't like it.

For years, the automotive industry was regarded almost as seasonal. It was common for plants to be closed for months of the year. Since the war, however, output has continued at an unprecedented high level, first to catch up with a five-year backlog of orders, second to satisfy a substantial boost in our standard of living.

Both labor and management have been happy about the steady work pattern. Both want it to continue. But to achieve it requires teamwork of all parties in industry.

It is nonsense to say as some unionists have argued, that management's role is to increase sales with the union only interested in higher wages and better working conditions. Labor, management and capital form a team with one objective—to boost business volume.

To do this, in a shrinking market, prices must be kept down. Obviously there cannot be any increase. Indeed a cut in price may be the only way to attract the necessary new car buyers.

There isn't much possibility of holding the line or reducing prices if labor keeps demanding higher wages. There isn't a chance if these demands are coupled with employment guarantees that are completely unrealistic even in the best of times.

* * *

Your Liaison With Ottawa

Government has grown so much more complex in recent years that the ordinary businessman hardly hopes to understand all its weird and wonderful decrees. And it is all to the good that specialists representing business should make it their career to know what is going on. Their work is reviewed in a feature article on page 21.

In the complicated tariff and other fields these on-the-spot representatives can do real service. The thing which we all need to guard against is the encroachment by sharks and cynics who profess to be able to deliver favors which—let us be properly thankful for it—our government operations do not recognize.

The generally high morality, and the generally high competence, of the Canadian civil service is an asset which Canadians should cherish. Few countries in the world can equal it. The chiselers—and unhappily there are a few — who try to undermine it are doing harm to us all.

On the fringe of the various tariff consultants for example are a small number of operators who are much less interested in getting fair rulings than in letting bad rulings pile up potential refunds on which they hope to gain a percentage. It is their activities which have led to serious consideration of the proposal that the refund period in tariff changes should be reduced.

No businessman in his right mind wants a government service which can be bought or swayed by political favors. There's only one thing which could produce one in Canada. That would be a general acceptance, instead of a wholehearted condemnation, of the few people who try to create it.

It's not an open process. It's the sinister and evil method of hinting "there are ways to rig it, you know."

The small minority who think this is smart are the enemies of the majority who want all their just rights, but want them by means that are above board and open to all. This—and this only—is what the straightforward Ottawa representatives set out to get.

* * *

Sounds Good, Mr. Howe

There has been much lamentation over the fact that Canada's economy has become more and more closely tied to that of the United States. We hear that this is bad for many reasons—and they run from a bad impression U. S. comic books are having on young Canadians to the similar effect of a U. S. slump on our business life.

Much of this talk is gleaned from the export trade picture. While our exports to Britain last year shrank from 1952, those to the U. S. went up.

Regardless of whether this is good or bad, we haven't had much choice. In this business it has always been a case of selling where we could. There's no virtue in stockpiling goods just to maintain earlier trade patterns.

Moreover, as Trade Minister Howe pointed out in Parliament the other day, another factor must be considered when measuring the importance of export trade on the nation's economy. This is the sharply increasing domestic production of oil, natural gas and steel. This allows us to reduce import requirements and thus significantly improves our balance of trade.

But even accepting at face value a decline in our total exports to sterling countries last year, Mr. Howe sees economic hope in the fact that the sterling area has maintained its trade position with the U. S., that the pound is stronger than it has been for years and that dollar and gold reserves in London have reached a postwar record. And to those who worry about Canada's close economic ties with the U. S., Mr. Howe points to an early end to the business recession there.

Sure, Mr. Howe is always optimistic. But he backs up his optimism here with some mighty convincing arguments.

Titanium Jet Blade Boosts Avro's Hopes

Precision Forging By Canadian Steel Improvement Ltd. Is Big Step Forward In Production Of New Engines For Supersonic Fighters

By VICTOR KOBY

A. V. Roe's still secret supersonic jet engine development program got a titanium boost this week.

Canadian Steel Improvement Ltd., Toronto, has successfully produced prototype quantities of what is believed to be the world's first forged precision titanium alloy jet engine blade of its type.

There's a double significance in this accomplishment:

—It brings Avro's privately financed new jet engine development program a large step closer to completion.

—It places both Canada and Canadian Steel Improvement in a most favorable position regarding future titanium work following discovery of new cost cutting methods of refining the metal by Shawinigan Water & Power from the huge Canadian titanium ore deposits. (The Financial Post, May 1.)

The forging is claimed to be of such accuracy that only the leading edges of the blade and blade "root" need any machining except for polishing.

Because the extensive use of titanium is essential for the large (15,000 lb.) thrust, high heat, supersonic engines, the accomplishment will give Avro an edge in the race with U. S. and Britain to develop new and more powerful jet engines.

Avro hopes the engine will be bought by the Government for the CF-105, successor to the CF-100. At the same time the new engine being developed is known to have already stirred considerable interest among U. S. military aircraft builders.

CSI's work was done by pressing the titanium alloy — received from the U. S. in rolled bar form — into the blade die. So exacting is this work that the slightest inaccuracy could lead to vibrations in the jet engine and its eventual self-destruction, since the blade tips move at supersonic speeds.

The work was done in under a year, while similar work has been going on in both the United States and Britain.

CSI is associated with Avro as a subsidiary of the British Hawker Siddeley Group. It has been a major supplier of alloy jet blades for over 1,000 Orenda engines produced by Avro so far.

The titanium alloy blade at high temperatures and under terrific centrifugal force stresses does not change shape, corrode or otherwise breakdown as other alloy blades will when engines are expected to turn faster and faster at still higher temperatures. In addition, as engines grow larger, weight becomes more of a problem to the aircraft designers, and its lightness gives titanium an advantage.

'Transferable Sterling' May Help Move Our Wheat

MONTREAL (Staff) — An involved international currency arrangement may help cut down Canada's wheat glut.

Under the scheme, dollar-short countries which have surpluses with trading partners in the sterling transferable area, can buy Canadian grains without delving into their dollar reserves. West Germany has already tried the unique plan to buy U. S. wheat and is expected shortly to use the method to purchase grains here. Other countries could follow.

Evidence of such a move came to light last week with the signing of a West German purchase order for 1,250,000 bus. of U. S. wheat to be paid for with "transferable sterling." It was not the first deal of this kind but "transferable sterling" sales never involved large quantities before. The sale is thought to be the forerunner of a great increase in this type of trading.

The "transferable sterling" method of payment is complicated but entirely legal. "Transferable sterling" is used for trade and capital movements throughout the world. While these funds cannot be directly converted into dollars, they can be traded on free currency markets.

How It Works

By using "transferable sterling" payments, West Germany gains the double-edged advantage of liquidating its ever-growing monetary surpluses with European and South American countries, at the same time conserving the drain on its dollar reserves.

Germany simply buys the convertible sterling for deutschmarks from countries long in sterling and then goes on the free market to find an agent willing to trade dollars (in Canada or the U. S.) for the sterling, which can then be used for purchases throughout the world, outside the dollar area and sterling block.

This kind of deal can be carried out in a number of "sterling transferable" countries, but most funds are finding their way to North America through Lima, Peru. Other nations understood to be participating are France, Belgium, Holland and Switzerland. West Germany has highly favorable trade balances with all these countries.

Centre of North American "transferable sterling" market is in New York, where average estimated turnover is £500,000 a day. The free rate now runs

(Continued on page 3, col. 6)

Next Big Wheat Question: What Price On '55 Crop?

OTTAWA (Staff) — Canadian authorities continue to put a bold face on the world wheat situation. There is no idea here of trying to invoke the International Wheat Agreement to require the importing countries to buy their full quotas at the minimum price of $1.55. Nor is it believed here that the United States will try to invoke the agreement at the minimum price.

It is, for one thing, much too late in the crop year to try to get the importing countries to buy their full quotas. The agreement provides that if an exporting country has difficulty in selling its quota at the minimum price, it may apply to the International Wheat Council (which is now meeting in London) to request importers to take it up—but not necessarily all of it. The agreement says: ". . . or such portion of it as, in the opinion of the council, is reasonable at the time the request is made."

Almost in the last month of the crop year, it obviously would not be reasonable to expect importers who have been buying their requirements elsewhere suddenly to have to take a lot of I.W.A. wheat as well.

The other reason why Canada would not want to invoke the agreement for sales at the floor price is that the authorities still do not believe the world price will go down as low as $1.55, certainly not before Aug. 1.

The next crop year is another matter, and if Canada wants to assure selling its full I.W.A. quota

(Continued on page 3, col. 3)

Bad News for the Filibusters

A New Concept On The Hill: Talk Isn't Cheap

OTTAWA (Staff)—The Federal Government is at last showing signs of a real determination to push through some improvements in parliamentary procedure.

An all-party committee has been considering the subject throughout the present session. It is still far from agreement on most points, but it is believed that the field has been narrowed sufficiently for some minor improvements to be accepted all around.

Major changes, however, may still be possible only if the Government is prepared to use its majority to push them through.

How far the Government will go in this direction is still undecided. It is certain that it will stop short of the real regulation of debate which has been accepted in most other Parliaments of the Commonwealth. Nothing that is likely to be accomplished here will approach the limitation on debate which is accepted as a matter of course in the United Kingdom, Australia and New Zealand.

But certain relatively minor improvements such as reduction in the time limit on speeches may be pushed through, either at the very end of this session or at the very beginning of the next session. A limit of 30 minutes (instead of the present 40 minutes) on backbenchers' speeches, might, for example, be accepted by every party except the Conservatives.

It might even be decided that the two most time-consuming general debates—those on the Address in reply to the Speech from the Throne and those on the budget—should be limited to a certain number of days, perhaps three.

Opposition Evident

But as things are at present the Opposition parties seem certain to refuse, and the Government will not press, the sort of timetable which other Parliaments have accepted and which makes possible an orderly arrangement of business.

There is strong opposition here, even on the Liberal side, to the "closure" procedure which other Commonwealth Parliaments use as a regular thing. This is partly because the Canadian Speaker is not left in office long enough to be completely accepted as an umpire. In the United Kingdom, where a Speaker is installed for life, he soon acquires this authority.

For example, if the U.K. parties agree, as they often do, that a certain debate should end at a certain time, the Speaker is informed of the arrangement, and the debate ends at that time. If an uninformed or rebellious backbencher rises to speak after the agreed hour, the Speaker simply does not "see" him. He may even have difficulty "catching the Speaker's eye" on future occasions. Here similar agreements have been made between the party leaders on a number of occasions. But if one opposition backbencher insists on his right to speak in spite of them, the Speaker must "see" him, and the agreement merely breaks up in recriminations.

Again, if "closure" is moved by the Government, the Speaker himself must be in the Chair, and not a deputy; and he has power to refuse the closure motion un-

(Continued on page 3, col. 5)

PRICES

Lead down ¼c lb. to 14c in U. S. and 13¼c in Canada following refusal of U. S. Government to stockpile at 14¼c. Depending on level at which stockpiling will be undertaken, price now could drop another ¼c, say some observers.

Zinc at 11c with U. S. stockpiling at that price. Predictions of further 1c rise may be unrealistic if government won't buy at higher level.

Regular grade gasoline has been cut ½c gal. wholesale by Imperial Oil Ltd. and British-American Oil. The reduction should be passed on to consumers. Reason for cut: keener competition generally.

Butter sales to trade at 55½c lb. have been halted by Federal Government, ending current turnover of old butter for new (purchased at 58c floor price) in federal stocks. Possibility market will become firmer.

Hides down about 1c-1½c lb. from recent peak, as predicted.

Mercury's record levels still puzzle the experts who contend that, basically, there is no shortage. Used in electrical apparatus, insecticides, fungicides and the like, the metal defied the experts by hopping upward again to about four times the price of four years ago.

Air Passenger, Cargo Rates Under Study

OTTAWA (Staff) — The first steps toward systematic regulation of passenger air fares and air cargo rates in Canada are now being taken by the Air Transport Board.

A letter has gone out to the six Class I scheduled carriers suggesting a set of principles which should be used in future for establishing airlines charges. They have been invited to make their comments on the proposed basis of rate-setting before the end of August, and several of the carriers have already had discussions with the Air Transport Board staff.

The ATB has authority to fix airlines' charges, but until now the tariffs filed by the carriers have usually gone into force without amendment or objection. They were merely filed with the board and accepted subject to investigation or complaint.

In recent months the board has begun to receive complaints from the public about some of these

(Continued on page 3, col. 1)

Prize of the Yukon

Alcoa, Frobisher Make Fresh Moves In Struggle For Waterpower Rights

OTTAWA (Staff) — The struggle for permission to develop the water-power of Northern British Columbia and the Yukon — a struggle between Aluminum Co. of America and the Canadian Frobisher mining interests—has taken a new step forward.

Alcoa's President I. W. Wilson last week paid another visit to Ottawa — the first for more than a year — to renew his request to tunnel the B. C. and Yukon water down to Skagway, Alaska, to run an aluminum plant there. Alcoa has been told repeatedly, starting with the time when R. H. Winters was Minister of Resources and Development in the fall of 1952, that Canada's policy was to keep Canadian water resources for use in Canada.

At last week's meeting with Trade Minister Howe and Northern Affairs Minister Lesage, Mr. Wilson appeared to accept this policy. It was repeated to him as firmly as ever. But Alcoa insisted that the Frobisher plan for developing the waterpower at Taku Inlet, B.C., to serve a huge electro - metallurgical industry was impracticable.

The ministers indicated that other evidence contradicted this, and that Frobisher Ltd. believes in the scheme enough to sink its own money in it. But Mr. Wilson repeated that, if it does turn out to be impracticable, Alcoa would like to pursue its Skagway scheme. Press reports had previously indicated that Alcoa is prepared to offer some power to Canada if it can get all-Canadian water to run its proposed Skagway power plant.

Frobisher Moves Ahead

Almost at the same time as Mr. Wilson's visit to Ottawa, Frobisher Ltd. was giving an earnest of what it plans to do at Taku Inlet. It announced that, ahead of the major scheme, it will import New Caledonia ores to Vancouver for concentrating in new electrical furnaces. The planned plant, to be located in the Vancouver area, will have a capacity of about 100 tons a day. It will use local electric power to produce nickel and cobalt; and the cobalt will be shipped to Cobalt, Ont., for final treatment.

The electrical smelting process is also to be applied to iron in the same region. The official announcement says only that "arrangements are being made with other partners" for a West Coast steel mill with a capacity of 100-150 tons a day. But this is to be an electrical process; it to use local West Coast ores, and it is

(Continued on page 3, col. 4)

Gas Pipeline to the East Moves Slow Step Closer

OTTAWA—The flow of natural gas from Southern Alberta wells into Eastern Canadian fireboxes appeared closer this week as the Board of Transport Commissioners heard the application of Trans-Canada Pipe Lines Ltd. for approval of its project.

The hearing took place in an atmosphere of harmony which contrasted sharply with the earlier battle of promoters for the right to build the cross-country line and the arguments over the economic feasibility of an all-Canadian route versus a route through the U. S.

No opposing interests appeared to challenge the bid of the new Trans-Canada company, which is a merger of the old Trans-Canada with its rival Western Pipelines, brought about by the combined pressure of Premier Manning of Alberta and Trade Minister C. D. Howe.

N. E. Tanner, president of the new company, told the board what would happen when the company is granted the right to build the line. By the end of 1955, it will have its 36-inch pipe laid from the Saskatchewan-Alberta border to Winnipeg and its 24-inch line from Winnipeg to the U. S. border at Emerson. It will be delivering gas to consumers in Winnipeg and along the route through Saskatchewan and Manitoba. It will be selling gas, it hopes but subject to other official hurdles, at Emerson to Northern Natural Gas Co. for distribution to consumers in the Minneapolis-St. Paul area.

By the end of 1956 the line will be completed to Toronto and probably at the same time but certainly early in 1957 to Montreal.

Mr. Tanner was at pains to explain to the board that the projected sale of 150 million cu. ft. of gas daily to Northern Natural Gas at Emerson was not an end in itself but an integral part of the Trans-Canada project. Western Pipelines' original plan, now merged in the larger one, was to sell gas through the Midwestern States first and build the line to Eastern Canada later. It ran counter to the governmental policy of no export until Canadian needs are met.

A governmental spokesman, John Davis of the Trade and Commerce Department, appeared before the board to restate that policy but to add that the projected export was not inconsistent with it. He said the department would give consideration to granting a permit for the export of gas from Emerson.

That permit is the first of the two additional obstacles the company must pass before it starts earning revenue at the end of 1955. The other is the securing of an import licence from the U. S. Federal Power Commission.

We Will Ask U.K. Ease Import Rules

Proposed Changes Would Help Our Exports Of Chemicals And Semi-Fabricated Metals — To Come Before Trade Meeting In London

By MICHAEL BARKWAY

OTTAWA (Staff)—When the Anglo-Canadian Continuing Committee on Trade meets in London starting June 21, Canada will have ready a list of commodities on which it would like further relaxation of U. K. import restrictions. Chemicals and some semi-fabricated metal products will be the main items on it.

Already 60% of Canadian exports to the U. K. are free of import controls, and another 20% are covered by specific licenses for such long-term purchases as newsprint and aluminum. In general the U. K. has freed its imports of raw materials, in the belief that it cannot afford to increase its costs by paying more than it has to.

But on the fringe of the raw material category there remains a few items in which Canada is interested which the U. K. admits under open general license from non-dollar countries but not from us.

Chemicals are the most flagrant case, and our chief competition in the U. K. market comes from Western Germany.

The position taken so far by the British is that they cannot yet extend open general licenses for chemicals to dollar countries. But they agree that it is bad for them to buy German chemicals if they could get Canadian products more cheaply. So they say they will give individual licenses for Canadian chemicals when it can be shown that they are cheaper. Several Canadian shipments have been made under these individual licenses.

But in the Canadian view this is not good enough. There is no way to establish competitive prices so long as the Germans have open permission to sell in Britain while Canadian firms have to get individual licenses. Even if Canadian prices look higher in existing conditions, it does not follow that Canadian firms would not meet the competition if they had the chance.

As against both German and United States chemical manufacturers, Canadian firms have a 10% tariff preference. Chemicals are free under the imperial preference: on the principal items the present tariff to foreign countries is 10%.

Three items which the Canadian representatives may be expected to raise are:

Pentaerythritol: Imperial Chemical Industries had a plant in England making this, but as a result of a breakdown the U. K. is now importing it.

Polystyrene: which is believed not to be made in the U. K. Canadian firms have been exporting some under individual licenses.

Vinyl Acetate Monomer: Also believed not to be made in the U. K.

Somewhat similar considerations apply to some of the chemicals in the acetone group.

Metal Products

The Canadian case on these chemicals depends on the logic of the position the British have already taken on other raw materials for their industry. By a slight extension of the same logic the next stage in Canada's requests will cover certain semi-fabricated metal products.

Before the war, for example, we sold the U. K. substantial quantities of copper rods. Now our copper goes in on open general license; but we cannot get in copper rods at all. The same applies to aluminum cable.

Tool steel, of the kind which Atlas Steel makes as well or better than anyone else, is excluded. But German tool steels can get in.

Laminated plywood is on open general license for non-dollar countries, but not for us.

In all these cases — and there are others — Canada will argue that British industry needs to buy in the cheapest market, just as it needs to get its raw materials in the cheapest market.

The coming meeting of the Continuing Committee may provide a chance to raise these questions; but it is not the place to

(Continued on page 3, col. 2)

Inside News

Costly Alcoholics

There are more alcoholics in Canadian industry than the boss realizes, according to a new Ontario survey. And they're costing business millions every year. Alcoholism in a typical Canadian county, an eye-opening report (p. 29).

The Maritime Story

The Maritime Provinces are finding new bounty in their own backyard. A special Post report on what they're finding — underground, in the sea and ashore—where they're finding it and the new optimism it's meaning on the east coast (pp. 41 to 56).

Business Helper

Doing business with the government can be complicated, but Ottawa's business representatives know the ins-and-outs. What they do, how they work. The Post special feature (p. 21).

Stocks To Hold

MacNab's manager says good stocks are worth holding, even though markets have been rising for nine months. For his reasons, see Managed Investment, a regular Post feature (p. 5).

Glamour On Rails

For the Canadian rail passenger: a new concept in "luxury" travel. It's a story of $99 millions worth of glamour for the two major railways (p. 7).

Costs, Productivity

Production costs, consumer prices can be held down by the "new" science of industrial advertising. And buyer-seller co-operation can affect productivity. The Post looks at N.I.A.A. activities (pp. 13 to 15).

Stock Market Highlights

Industrials

Canadian Food Products preferred continued to slide. From high of $64 a share in March, sold at $35 this week, down $18 since announcement of passing dividend two weeks ago.

Canadian Pacific Railway common, which slid from $27¾ to $25¾ on market drop week ago, recovered to about $26¼.

North Star Oil, which just announced final details on new refinery at Winnipeg under consideration for some time, trading near peak for year at $9. Recent $9¼ high best price since 1929, up $3 from January, this year.

Mines and Oils

Geco Mines which reported good deep hole east of fault last week, firms to level above $10 a share.

Consolidated West Petroleum sells up to new 1954 high of $1.90 as latest gas well in Lake Erie drilling reported biggest to date.

New Dickenson firms to $2.80 a share as annual dividend rate of 20c a share established; quarterly payment of 5c to be made Aug. 2 to shareholders of record July 2.

New Mylamaque jumps over 10c to 27½c Tuesday with negotiations in progress for uranium discovery in new area of Northern Saskatchewan. Drilling planned immediately if deal closed.

Ungava Copper Corp. may be new performer for over-counter market as drilling intersects big widths of copper mineralization (see P. 38).

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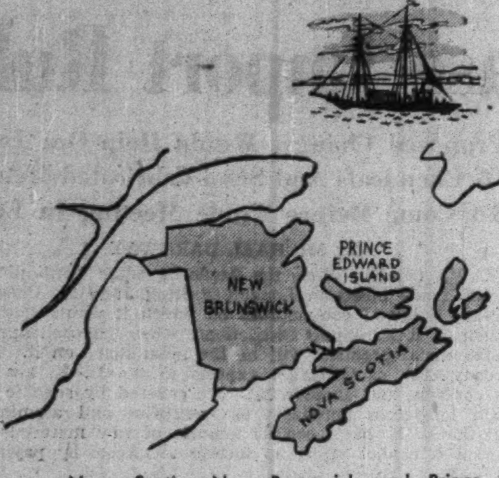

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Maclean-Hunter Revenues Up 14% For Past Year

Gross revenues of the 36 publications and various departments of Maclean-Hunter Publishing Co. in 1953 reached a record total of $14,800,388, President Floyd S. Chalmers reported at the 66th annual meeting of shareholders last week.

The increase for the year was $1,838,986, or 14%. Net operating profit, omitting subsidiaries, was $444,170, up 11% on 1952's $400,037.

"The upward trend promises to continue into 1954. Some of our publications reflect the difficult competitive conditions prevailing in certain lines of business. But, taking the company as a whole, we have every reason to expect 1954 to be another good year," Mr. Chalmers said.

He pointed out that the net profit on a $150 advertising page in a Maclean-Hunter business paper in 1953 was $4.88; and on a $3 subscription it was less than a dime.

"Net profits are not a very big factor in the final prices the public pays for our products and services," said Mr. Chalmers. "A net profit figure of 3.25% of the gross revenues is a much smaller margin of net profit than is enjoyed by most industries.

Maintaining Standards

"When we sell a subscription or accept an advertising contract we are committed to deliver a publication of a certain standard of quality and value, and in the case of advertisers we are committed to the maintenance of certain circulation levels. In any downturn in business, we could not as quickly reduce our expenditures as most firms could do. We have, from time to time, provided certain reserves which are, in a sense, a guarantee to our advertisers and subscribers of a high standard of service should there be a sudden drop in our revenues from any cause."

Here is a breakdown of 1953 revenue dollars based on the company's Canadian publications:

	Cents
Wages, commission, etc.	46.43
Adv. agency commission	11.83
Materials—paper, ink, etc.	19.68
Postage	4.18
Repairs and maintenance	2.47
Depreciation	4.77
Services	1.32
Benefits	1.08
Taxes	4.99
Profit available for dividends and reinvestment in the business	3.25

Salaries, wages and commission, including advertising agency commission, increased more than $1 million in 1953 over 1952. Since the pension plan was established in 1940, the company has paid just under $1 million into the fund.

"We are still in a stage of capital expansion, particularly in our production facilities," Mr. Chalmers said. "The net profit of $444,170 does not loom up as a very generous figure in comparison with the investment of something over $750,000 this year on a third Goss five-color, web-fed press, required to maintain schedules and keep up with increased circulations on our two larger magazines, Maclean's and Chatelaine. We are investing also in other large and expensive items of equipment."

National Influence

Total circulations are now 1.3 million on Maclean-Hunter publications. Estimated readership, determined by various independent polls, is upwards of 3.5 million.

"The figures cannot tell adequately the story of the growing influence of these publications in the lives of the Canadian people," said Mr. Chalmers. "Canada is a nation peculiarly subject to the pressure of outside influences. There is nothing sinister in these influences, particularly in the strongest economic, social and cultural pressures that bear upon us, namely, those of our great and good neighbor, the United States. . . . We do not want to live someone else's way of life; we want to be Canadians, living the Canadian way of life.

"In the fulfillment of such an aim, the Canadian people require to build up many institutions of a national character, and not the least of these is a national periodical literature.

"In advertising, our publications are the leaders in their respective fields. Our four general magazines published 2,684 pages of advertising, compared to 2,422 pages in 1952," Mr. Chalmers reported.

"Maclean's Magazine has established itself as the outstanding general magazine of Canada, worthy of its sub-title 'Canada's National Magazine.' This material achievement has enabled us to appropriate more generous sums for editorial features of particular interest and importance to Canadians.

"Chatelaine, which is the 'technical' or service paper of the woman in the home, holds its position as the leading woman's magazine of Canada.

"Canadian Homes & Gardens has increased its circulation by another 25,000. Today it stands fifth among all Canadian magazines in advertising volume.

"The community leadership of Mayfair readers has been recognized in the establishment of the annual Mayfair Award for Community Service.

"The Financial Post continues to broaden the basis of both its readership and its advertising and it provides an essential service to business executives and investors. The Post's advertising linage in 1953 was over 2,500,000 compared to 2,300,000 lines in 1952. This was the largest total in the history of The Post.

Growth of Trade Papers

"Of our many other publications similar reports could be made as to their widening influence and their growing acceptance as specialized advertising media. Our various business publications and annuals carried 21,142 pages of advertising compared with 19,251 pages in 1952.

"Eight of our business papers each carried more than 1,000 pages of advertising in 1953. Incidentally, 11 other business papers in Canada hit the 1,000 mark, indicating the ever-widening influence of these specialized service publications."

Mr. Chalmers praised "the steady improvement in the editorial service content of the trade and industrial publications of Canada."

"It is our aim always to lead in such improvement, but we make no claim to a monopoly of either talent or editorial quality in the business paper field," he said. "We have a resourceful group of highly trained editors. During the past year we have invested much money in travel expense to enable the editors to keep in close touch with their specialized fields. We engaged the services of the most experienced consultant authority on the continent in the field of visual presentation, with the result that the general appearance of our publications has gained enormously."

Because of the varying forms and sizes of the company's publications it is difficult to quote a single figure that indicates the scope of the operations in the company's North Yonge Street plant. But the total output in 1953 was the equivalent of 3,200 million printed pages, Mr. Chalmers said in paying tribute to plant manager Ed Nymark and his associates.

"Generally speaking, magazine publishing in Canada is not a profitable business yet, but for those who take a long view, and invest accordingly, the business should show improving results over the years ahead," Mr. Chalmers said. "It was the policy of Col. John Bayne Maclean in the company's early days, and it has always been the policy of Horace T. Hunter, to reinvest the major share of net profits earned by our publications in improved service to readers and advertisers. This is still our policy and as the country grows, our net profits available for such expansion in our services should improve."

Chairman of The Board

"It is our job to promote higher levels and standards of business, to help Canadians become more efficient in their work, to see that the benefits of our prosperity are properly and fairly distributed, to encourage the growth of population from within and without the country," said Horace T. Hunter, chairman of the board.

"Our primary task however must always be to promote Canadianism. As we do that job effectively, we shall reap our reward in a sense of achievement.

"We have been in the publishing business for 67 years. In all that time we have never asked anybody to subscribe to any of our publications or to advertise in any of them simply to 'support' something Canadian. Quite the opposite. We have felt that the onus has always been on us to support things Canadian. But because our magazines and our business papers are Canadian, because they interpret the news in Canadian terms, the people of this country want them, buy them, read them, advertise in them, and, we hope, take pride in them as national institutions."

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Ammo-Power Tool Co. (Toronto and Vancouver) — H. A. Brittain, manager eastern office with warehouse established at 462 Sherbourne St., Toronto.

Bridge & Tank Co. of Canada Ltd., Hamilton—Owen Jones, a director.

Canada Life Assurance Co. (Toronto) — Neil J. McKinnon, vice-president and general manager of the Canadian Bank of Commerce, a director; E. L. Kennedy, branch administrative officer.

Canadian Federation of Advertising and Sales Clubs—H. P. Kelley, Hamilton, president; R. S. White, Montreal, John Madden, Peterborough, Cecilia Long, Toronto, Clifford Wingrove, London, Sam G. Ross, Vancouver, regional vice-presidents; W. M. Hamilton, executive director and treasurer; Wilf J. Sanders, Toronto, honorary treasurer.

Canadian Manufacturers Association—J. A. Calder, Imperial Tobacco Co. Montreal, president; T. A. Rice, International Harvester Co. of Canada, Hamilton, 1st vice-pres.; J. N. T. Bulman, Bulman Bros., Winnipeg, 2nd vice-president; J. Ross Belton, Gutta Percha and Rubber Ltd., Toronto, treasurer; J. D. Ferguson, Spencer Supports (Canada) Ltd., Rock Island, Que., immediate past president; divisional chairmen: A. M. McDonnell, president, McDonnell Metal Mnfg. Co., Vancouver; R. H. Parkhill, president, Parkhill Bedding Ltd., Winnipeg; W. A. Osbourne president Babcock-Wilcox and Goldie McCulloch Ltd. Galt; L. F. Long, president, Building Products Ltd., Montreal; Victor de B. Oland, vice-president, A. Keith & Son Ltd., Halifax.

H. Corby Distillery Ltd.—R. (Bert) Heaton, sales manager for Western Canada; A. W. Muldoon, sales representative for Manitoba.

Dominion Fasteners Ltd. (Hamilton) — Ron Parkinson, supervisor new branch sales office, 77 York St., Toronto.

Ewbank & Partners (Canada) Ltd. (Toronto)—K. F. Tupper, president; J. T. Moore, vice-chairman; S. W. Underhill, chief assistant to the president.

Great Lakes Paper Co. (Fort William)—Bruce Fallows, executive assistant to president and general manager.

B. F. Goodrich in Canada (Toronto)—W. E. Ireland, vice-president of B. F. Goodrich in Canada, director and vice-president sales, responsible for all sales divisions of B. F. Goodrich in Canada; S. B. Hills, manager Toronto store.

Hughes-Owens (Montreal) — E. Jacobson, director.

International Harvester Co. of Canada (Hamilton, Ont.)—Kenneth A. Reed, acting district manager, Hamilton.

Investment Dealers Association of Canada (Toronto) — Nelles Douglas Young, Dominion Securities Ltd. president; R. C. Samis, Samis & Co. Vancouver, vice-president and chairman Pacific District; E. M. Duggan, D. M. Duggan Investments Ltd., Edmonton, vice-president and chairman Alberta District; D. J. McDonald, Osler Hammond & Nanton Ltd. Winnipeg, vice-president and chairman, Mid-Western District; N. H. Gunn, Bell Gouinlock & Co. Toronto, vice-president and chairman, Ontario District; G. G. Johnson Credit Interprovincial Ltee., Montreal, vice-president and chairman Quebec District; J. C. Fisher Eastern Securities Co., Saint John, N.B., vice-president and chairman, Atlantic District.

C. M. Oliver and Co. (Vancouver) —E. E. W. "Dusty" Rhodes admitted to membership in company.

Personal Finance Co. (Toronto)—Erling L. Larsen, manager new Penticton (B.C.) branch.

Quebec Provincial Government — William M. Cottingham (St. Jerusalem, Que.), minister of mines.

Ray-O-Vac (Canada) Ltd. — R. W. Wootton, general manager administration, plant and production; J. Doig, general manager, sales, advertising, merchandising.

Scholl Mfg. Co. (Toronto)—Clayton A. Holt, general manager Dr. Scholl's Canadian operations; G. H. Parsons, general sales manager, wholesale division.

Shawinigan Water & Power Co. (Montreal) — Russell R. Merifield, secretary; Glen Buchanan, assistant secretary.

W. A. Sheaffer Pen Co. of Canada (Goderich)—Clyde Everett a vice-president; continues as general sales manager Canadian company.

N. Slater Co. (Hamilton) — R. G. Baird, chief engineer; S. T. Wood, works manager; A. E. Hope, purchasing agent.

Stone & Webster Canada Ltd. (Toronto)—Russell E. Ritchie, vice-president, Harold F. Cleary, vice-president and construction manager.

United Steel Corp. (Toronto) — T. J. Dillon, chairman of the board; A. G. House, president; F. H. Sobey, a director.

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Air Rates Go Under Study By Air Transport Board

(Continued from page 1)

charges, particularly in the more remote regions where traffic is light or costs high. This has helped to start a study which may ultimately result in all air fares and rates requiring ATB approval in the same way as rail rates have to be approved by the Board of Transport Commissioners.

Rates Per Cost

The principles suggested by the board to the carriers envisage the fixing of rates in relation to the costs of operation per mile in each region. Here are the three main principles in outline, as now being considered by the carriers:

1. No operations should be carried out on a basis which leaves revenue below total cost. Exceptions are suggested which the board might recognize. They would take care of competitive fares and rates, where applicable, and of promotional activities, but the board would propose to approve them only "under unusual conditions in the light of economic necessity."

2. In calculating total revenue the board proposes that all sources of revenue — passenger fares, express, air cargo and mail — must all be taken into account. The thought is that these should be considered on some proportionate basis.

The load factor is, of course, a vital factor in assessing revenues, and the board has proposed one which might be used. But this is one of the points on which different carriers are almost certain to have different ideas, since the load factor naturally varies greatly on different routes.

Varying Regions

3. The use of cost as a yardstick for rates presents a difficulty, because costs vary so much in different parts of the country. For this reason the board suggests that Canada should be divided into a number of regions. The revenue-cost relationship would then have to be maintained within each region.

A rate structure based on these principles, so far as can be seen at this early stage in the discussions, would establish (with the permitted exceptions) a regular charge per ton-mile and passenger-mile which would be uniform within each region though not necessarily throughout Canada as a whole.

If the Prairie provinces as a whole form one region then air fares and cargo between, say Winnipeg and Edmonton, would have to be based on the same cost per mile of operation as any other service within the Prairie region.

In the Northwest Territories, where costs would be recognized to be higher, the standard basis for the charges would be different. But it would still have to be calculated at the same rate between any two points in the Territories.

Work Out Principles

It is fully expected that the airlines, on examination of the suggested principles, will find various difficulties about applying them to their individual operations. But the intention is to work out with the carriers some principles of rate-fixing which can be applied to most services.

The present effort to establish an orderly basis for air traffic charges applies only to Class I scheduled carriers. The lines involved: Trans-Canada Air Lines, Canadian Pacific Airlines, Maritime Central, Queen Charlotte Airlines, Central Northern Airways and Quebecair.

114 Stocks' Yield Averages 5.14%

Average yield on 114 dividend paying stocks on the Toronto Stock Exchange, as compiled by Moss, Lawson & Co., on prices of June 14, was 5.14%, up 0.8 from the previous week. The current yield compares with 5.18% one month ago and 5.49% last year.

Yield by various groups of stocks was as follows:

	June 14 %	Week ago %	Month ago %	Year ago %
Common	5.09	4.96	5.10	5.42
Preferred & A	4.83	4.80	4.89	5.17
Mining	5.92	5.91	5.98	6.32
Banks	3.51	3.48	3.63	3.87

J. C. THOMPSON

elected president of the Institute of Chartered Accountants, of Quebec, is senior partner in Peat, Marwick, Mitchell & Co.

Will Ask UK Ease Imports

(Continued from page 1)

press them. It is an official body which meets about twice a year to review trade prospects. W. Fred Bull, deputy minister of Trade and Commerce, will be the senior official going from here; and Norman Robertson, High Commissioner in London, will be presiding. Senior officials from the Treasury and the Board of Trade make up the British side.

Sterling Convertibility

A point of particular interest at the June meeting will be an exchange of views about sterling convertibility. As recently as March, when The Financial Post reported Chancellor R. A. Butler's thinking on the outlook, financial circles in London took The Post report as a sign that convertibility might not be as remote as they had been supposing. Since then, the reserves have strengthened steadily and the impression has grown that the time for a move may not be so very distant.

An assurance of U. S. readiness to back a "support fund" was given to Canadian ministers at the first meeting of the Joint Canada-U. S. Trade Committee (The Post, April 3), and has been passed on to London. On the debit side, however, is the manifest inability of the Eisenhower Administration to liberalize the U. S. attitude toward imports.

No one expects any firm commitment from the British at this stage. In any case decisions will have to wait until after consultations with the United States and other countries at the fall meetings of the International Monetary Fund, which Mr. Butler will attend. And much will depend on the course of the U. S. economy and of the British balance of payments toward the end of this year. But it will be useful for the Canadian officials to get some indication of current British thinking on this subject.

In view of the latest news from Washington they will also want to compare notes on the outlook for GATT.

What Price '55 Wheat?

(Continued from page 1)

it should decide early to offer it at the floor price. As at present advised, the Government does not intend to do this. It is admitted that the level of world demand next year does not look like being very much above this year's. It is admitted also that world supplies look as though they would still be in excess of world demands because of the huge stocks on hand. Indeed a further decline in the world price is agreed to be more than likely. But it isn't the rate and extent of the decline which is in question.

The main difference between now and the early 'thirties is that then farmers all over the world were hurrying to sell their own crops on a falling market. Now the main sellers are four governments. The Canadian Government knows that it does not mean to enter into a competitive selling race by cutting prices, though it will match every price cut made by the United States, its main competitor in selling hard wheat.

The other three are the United States, which competes with Argentina and Australia in the sale of soft wheat, as well as with Canada in the sale of hard wheat. No one doubts here that these three will watch each other very carefully. But it is difficult to imagine them entering into a real dog-eat-dog competition.

So far as can be learned here it was price cuts on soft wheat in the Southern Hemisphere which persuaded the United States to make its recent 10% reduction in price. Since the Government controls the price virtually by regulating the subsidy, and since it pays the subsidy equally on all kinds of wheat, there is no discrimination between softs and hards.

Canada, informed in advance that the U. S. thought the time had come for price reduction made no particular objection; but the U. S. Government knew that its reduction would be matched by Canada.

The Canadian authorities were in full agreement with the United States that if the price was going to be reduced it should be done before the meeting of the International Wheat Council at which importers were sure to complain of the price.

But there was very little hope here that a price reduction would stimulate sales. The total volume of world trade in wheat is not susceptible to such influence, it is believed; and Canada's concern is to maintain its own proportion of world sales, which so far it has been able to do.

Prize of the Yukon

(Continued from page 1)

to fit in with existing plants. It is another sign of confidence in Frobisher's new processes.

The Ottawa view about development of the northern water resources is unchanged by Mr. Wilson's visit; and Ottawa has an absolute veto on export of water power. But the green light for the Frobisher plan depends on the British Columbia Government, and until lately Premier Bennett of B. C. has shown some softness toward the Alcoa project.

Ottawa Firm

The hope here is that once Premier Bennett, as well as Alcoa's Wilson, realizes that the Federal Government means what it says, progress may be made with consideration of Frobisher's all-Canadian plan.

This will be one of the main subjects to be taken up when Premier Bennett meets Jean Lesage, Minister of Northern Affairs and National Resources, in Victoria on July 14. It should be taken further on July 26, when Premier Bennett and his Minister of Lands, Robert Sommers, have arranged to meet with representatives of Frobisher Ltd., headed by President Thayer Lindsley. (The meeting has been delayed from earlier in July because Mr. Lindsley has to be away in the U. K., France and Norway).

Other subjects to be discussed during Mr. Lesage's meeting with Premier Bennett are expected to be the development of the Columbia Basin, and the B. C. Government's request for federal assistance in forest fire protection.

Mr. Lesage will be visiting Victoria in the course of a two-months tour which takes in the National Parks and wide areas of the Yukon and the Northwest Territories for which he is responsible. In the northern territories he will be accompanied by his deputy minister, Gordon Robertson, (who is Commissioner for the Northwest Territories) and the newly-appointed assistant deputy minister, Maurice Lamontagne.

Bad News For Filibusters

(Continued from page 1)

less he is satisfied that the Opposition has had a fair chance to state its case.

Speakers Partial?

Since the Canadian tradition of changing the Speaker practically every session (leaving his future career in the hands of the Government) makes it difficult for him to be regarded as completely impartial, there is no authority to cut off speakers in this way—though it is only fair to the present Speaker, René Beaudoin, and his predecessor, Ross Macdonald, to say that they have probably established as high a degree of confidence as the system permits.

This means that the power to move a closure, which can be done even under present rules, would involve a straight resort to the Government's majority vote; and it would be regarded as a misuse of the majority's power.

With this procedure ruled out, there is no chance of getting agreement on the allocation of days to particular debates which other Parliaments, such as the U. K., have accepted. Therefore, the best practical hope is some means of shortening debates which there is no way of limiting.

This appears to be the objective which the Government has set itself; and the Liberal majority, at least, will be enthusiastic about a shorter limit on the length of speeches. Even this may possibly have to wait until the beginning of next session, and it will require the Government majority to put it through.

But there is still some hope that minor improvements may be adopted before the present, already over-long, session comes to an end.

'Transferable Sterling' May Help Move Our Wheat

(Continued from page 1)

around $2.78, as compared with the fixed parity rate of $2.80.

Effect on Canada

Canadian purchases could be affected through foreign buying of U. S. dollars for "transferable sterling." The U. S. funds could then easily be turned into Canadian dollars. Indications are that West German dealers will be willing to do this despite the small premium on this country's currency, because the qualities of Canadian wheat in many cases better fit German requirements.

Lowest post-war rate for the transferable pound was $1.70, but the grain purchases and other quickening demand for the free currency has meant that fewer sterling-holders could be found willing to sell their sterling at heavy discounts. That's why the transferable rate is today just 2 cents below parity.

In principle, "transferable sterling" closely resembles the Canadian dollar which was sold in New York during the time of exchange controls.

Use of the new purchasing method stands in sharp contrast to a darkening sales background. Grain dealers in Montreal are unanimous in condemning the Government's 10c price cut.

"By August the Canadian price will probably be slashed further to the bottom base of $1.55 and I don't think the importing countries will take their full requirements until this happens. If sales turns out this way, it may well signal the end of the International Wheat Agreement," one outspoken dealer told The Post.

West Germany has been an important customer for Canadian grain. Last year, some $60 millions worth was bought by the Federal Republic. This year, a $16 million contract for nine million bushels has already been negotiated and the eventual sales total is expected to reach the quantity of last year's orders. West Germany is a signatory nation to the International Wheat Agreement.

Montreal grain activity has slowly been gathering speed, but it remains far below normal for this time of year. Lakers still have to line up to discharge cargoes and elevators are almost plugged again.

Over-all deep-sea port tonnage is not down significantly, however. Some 325 overseas ships have so far visited Montreal this year, against a total of 382 cargo carriers this time last year. Much of the grain cargo loss has been made up by increased activity in packaged freight.

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In Very Brief

DOMINION TEXTILE CO. net loss for fiscal year ended Mar. 31, 1954, was $48,514. Net profit in the previous fiscal year was $1,157,449.

ROBIN JONES & WHITMAN LTD., Halifax, net loss in 1953 was $30,834. Net loss in 1952 was $86,330.

DAVID & FRERE LTEE. net profit for 1953 was $341,964, 32.4% higher than 1952 net of $258,352.

WABASSO COTTON CO., Three Rivers, Quebec, net profit for fiscal year ended May 1, 1954, was $225,727 (65c), 37.1% less than net of previous fiscal period of $358,748 ($1.03).

ESSEX PACKERS LTD., Hamilton, Ont., net profit for fiscal period ended Apr. 3, 1954, was $83,192 (51c), 18.2% higher than net of $70,392 (38c) for comparable fiscal period last year.

TRADERS FINANCE CORPORATION LIMITED
NOTICE OF REDEMPTION

TO THE HOLDERS OF 4% CONVERTIBLE SINKING FUND DEBENTURES, DUE JANUARY 15, 1965, OF TRADERS FINANCE CORPORATION LIMITED, ISSUED UNDER TRUST INDENTURE MADE AS OF APRIL 1, 1949 BETWEEN TRADERS FINANCE CORPORATION LIMITED AND THE CANADA TRUST COMPANY, AS TRUSTEE, AND INDENTURES SUPPLEMENTAL THERETO (THE SAID TRUST INDENTURE AND SUPPLEMENTAL INDENTURES BEING HEREINAFTER COLLECTIVELY REFERRED TO AS THE "TRUST INDENTURE")

NOTICE IS HEREBY GIVEN that pursuant to the provisions of the said Trust Indenture, all of the 4% Convertible Sinking Fund Debentures, due January 15, 1965, not redeemed or called for redemption heretofore or converted either heretofore or as hereinafter mentioned, will be redeemed through the sinking fund on the 30th day of July, 1954.

The redemption price of each of the said Debentures, being 102% of the principal amount thereof and unpaid accrued interest on said principal amount to the said 30th day of July, 1954, will be paid in the case of unregistered Debentures to the bearer thereof and in the case of Debentures registered as to principal to the registered holder thereof upon presentation and surrender of the Debentures (together with all unpaid coupons appertaining thereto) at the principal office of the Bank of Montreal in any one of the Cities of Halifax, Saint John, Quebec, Montreal, Toronto, London, Hamilton, Ottawa, Winnipeg, Regina, Edmonton, Calgary and Vancouver, Canada.

AND NOTICE IS FURTHER GIVEN that from and after the said 30th day of July, 1954, all interest on the Debentures so to be redeemed shall cease and coupons for interest maturing after the said date upon the said Debentures shall be void.

HOLDERS OF DEBENTURES ARE REMINDED THAT UNDER THE TERMS OF THE TRUST INDENTURE THEY HAVE THE RIGHT AT ANY TIME UP TO AND INCLUDING THE 29TH DAY OF JULY, 1954, TO EXERCISE THE RIGHT TO CONVERT THE SAME, IN THE MANNER DESCRIBED IN THE TRUST INDENTURE AND IN THE DEBENTURES, INTO CLASS "A" COMMON SHARES OF THE COMPANY AS NOW CONSTITUTED UPON THE BASIS OF 58 SHARES FOR EACH $1,000 (OR 29 SHARES FOR EACH $500) PRINCIPAL AMOUNT REPRESENTING A PRICE FOR SUCH SHARES OF APPROXIMATELY $17.24 PER SHARE.

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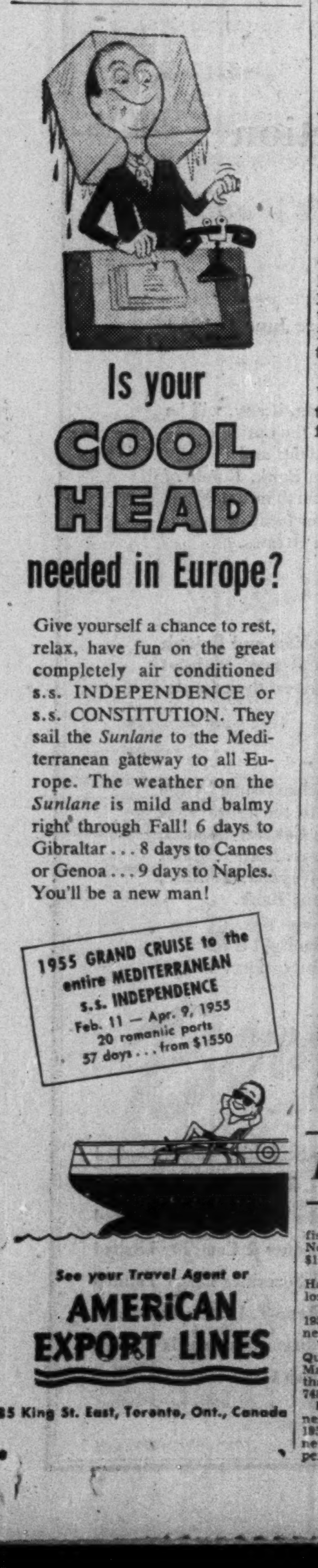

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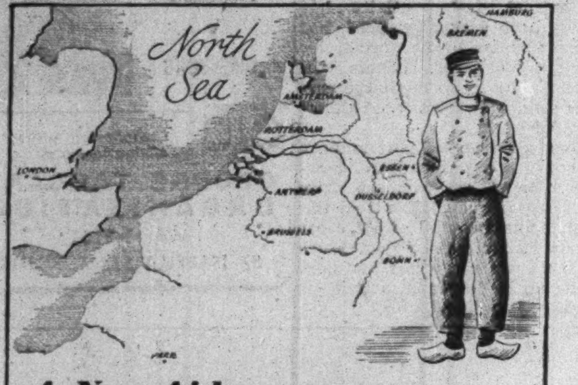

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NOTICE OF TENDER

Sealed tenders will be received by the undersigned, until June 30th, 1954, at twelve o'clock noon daylight saving time, for the sale, in block or separately, of land, buildings, machineries, office furnitures and accessories, etc., of SUPERLINE TANNING CO. LTD., located at 51 Marie de l'Incarnation St. at QUEBEC.

Land—Total area	37,388	sq. ft.
Land—Area occupied by buildings	25,700	" "
Vacant land	11,688	" "
Area of floors including boiler house, garages and warehouses	45,000	" "

The above given areas are approximative.
Dry system, automatic sprinklers.
Detached fire proof boiler house.
The undersigned do not bind themselves to accept neither the highest nor any one of the tenders.
Every tender would be in a sealed envelope marked: "TENDER FOR SALE OF BUILDINGS AND MACHINERIES OF SUPERLINE TANNING CO. LTD."

For further information, apply to:

ADMINISTRATION & TRUST COMPANY
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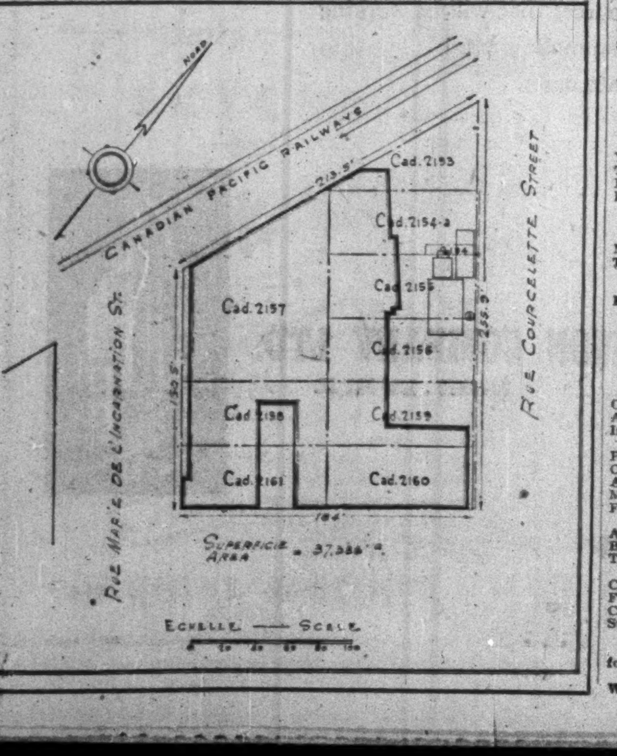
QUEBEC. Tel.: 2-8106



OFFERING THIS WEEK

By PAUL DEACON

World Bank Eyes On Canada

IBRD May Offer Two Issues Yearly Here In Future

The World Bank is leveling firmer sights on Canada.

This week's offering in Canada of \$25 million 3½% Canadian dollar bonds of the International Bank for Reconstruction and Development may be the forerunner of a greater level of borrowing in this country by the bank.

Officials of IBRD, commonly known as the World Bank, told Canadian investment men this week of hopes to step up borrowing here to a rate of two issues a year in years to come.

This would not be a departure for Canadian investors in the sense that Canadian investment abroad is already in the range of \$6,000 millions. But much of the foreign investment now is in the United States or in other countries fairly well known to Canadians. The IBRD issues help finance operations which are encouraging development in 30 countries that are members of the bank, and three overseas territories of member countries.

International Flavor

The list includes Denmark, Ecuador, El Salvador, Ethiopia, Finland, France, Iceland, India, Iraq, Italy, Japan, Luxembourg, Mexico, the Netherlands, Nicaragua, Pakistan, Australia, Belgium, Brazil, Chile, Colombia, Panama, Paraguay, Peru, South Africa, Thailand, Turkey, United Kingdom, Uruguay and Yugoslavia.

Main reason for selling bonds in Canada is to help maintain the international character of the bank's operation. Most of the issues so far have been U. S. dollar bonds. Only \$111.6 millions has been raised in other currencies, out of \$777 millions outstanding. In addition to an earlier issue of \$15 millions sold in Canada back in 1952, there have been issues in Swiss francs and pounds sterling.

Another reason for selling bonds here is to meet demands from borrowers for loans in Canadian dollars. Some countries through trade with us may have a good supply of Canadian dollars but may not be able to pay off debts in other currencies as easily. The bank tries to organize its loans so that the borrowing countries can pay the loan off in a currency that should be readily available to the borrower.

Demand Should Increase

As it has worked out so far, demand for Canadian dollar loans has not been particularly large, because for most countries, getting Canadian dollars is just as hard as finding the U. S. variety.

However, frequency of borrowing by the World Bank here will probably be stepped up as the issues become more widely known and accepted by Canadian investors. Main market is among the institutions at the moment.

And as Canadian trade with nondollar countries expands, the demand for Canadian dollar loans should increase. This also would tend to encourage IBRD issues here.

• • •

Participating Bonds For Jewelry Firm

Gairdner & Co. has come up with a new type of security in its recent private financing for Peoples Credit Jewellers Ltd.

The \$1.5-million issue of sinking fund bonds due 1969 is a participating issue. Basic coupon rate is 5½%, but the bondholders' return increases with increases in earnings above a stated base level.

Basis of participation is as follows: Interest of 5½% will be paid each year plus additional participating interest equal to 0.3% for each \$90,000 by which earnings before taxes in the preceding fiscal year exceeded \$900,000.

Thus if earnings before taxes are \$1,170,000, interest rate in the following year will be 6.4%. If they fall below \$990,000, the rate will be a straight 5½%. Actual earnings before taxes in the year ended Jan. 31, 1954, were \$1,095,419.

• • •

Br. Wareh'sing, Husky Issues Expected Soon

Further financing of Brewers Warehousing Realty Ltd. is expected shortly, it's reported in investment circles. The issue, which is being placed privately, consists of \$1.6 million 4½% Series B bonds due June 15, 1974.

Financing by Husky Oil & Refining Ltd. is also expected in the near future.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

Power

EAST KOOTENAY POWER CO., Fernie, B.C., net profit of \$108,940 for 1953, was 20% less than 1952 net of \$136,234.

Decrease in revenue was caused by the loss in January, 1954, of Consolidated Mining & Smelting Co.'s Kimberley load, as well as a drop in the number of working days on the part of all coal mines, resulting from dieselization of the railways. Loss will be offset to some extent by reduced operating expenses at the Sentinel steam plant, and new outlets which it is hoped to secure.

Gross system output was 123,969,200 kwh, compared with 154,692,974 in 1952, a decrease of 19.8%. Hydro plants generated 105,878,700 kwh against 108,846,900 in previous year. Sentinel Plant decreased by 60% from 43,628,400 kwh to 17,492,900 kwh. Book value of the old wood stave pipe and dam was written off to the reserve for depreciation to the extent that depreciation had been provided, the balance of \$176,590 being charged to surplus.

No. 2 unit at Elko plant was rewound and put back into service in February this year, and a small distribution system serving Carbondale, East Coleman and Willow Drive was included in company's system from Jan. 1, 1954.

Hydro conditions were satisfactory throughout the year.

Annual meeting is June 25.

INCOME ACCOUNT

Years Ended Mar. 31:	1954	1953
Total revenue	\$1,076,514	\$1,290,222
Net earnings	492,269	529,781
Less: Interest	134,429	127,512
Depreciation	180,000	152,800
Bond disc.	3,900	3,900
Income tax	65,000	109,335
Net profit & surp.	108,940	136,234
Times Interest Earned:		
Before deprec.	3.66	4.15
After deprec.	2.32	2.96
Earnings per Share and Dividend Record:		
Pref.: Earned	\$10.89	\$13.62
Com.:† Earned	1.30	2.21
None paid on either stock.		
†Incl. shs. held in trust.		

CONDENSED BALANCE SHEET

As at Mar. 31:	1954	1953
Cash & govt. bds.	\$146,712	\$27,397
Accts. rec.	73,466	91,514
Inventories	70,380	129,062
Total curr. assets	290,558	247,973
Prep. exp., etc.§	14,800	21,825
Co's bonds	13,602	42,993
Alloc. cap. exp.	....	930,550
Misc. assets	9,865	25,087
Fixed assets‡	4,629,492	3,931,884
Total assets	4,958,317	5,200,112
Accts., etc., pay.	23,695	86,860
Bond & debent. int.	51,928	52,570
Taxes	44,717	78,422
Total curr. liab.	120,340	217,852
Consum. dep.	....	1,633
Funded debt	3,100,000	3,175,000
Capital stock*	1,150,000	1,150,000
Surplus	587,977	655,627
‡After depr. of	1,896,504	1,893,674
*After deducting \$2,615 (523 shs.) trust for employees.		
§Incl. in curr. assets in co's report.		
Working capital	170,218	30,121

$25 Million New Bond Issue By World Bank

An offering of \$25 million 3½% 15-year Canadian dollar bonds of the International Bank for Reconstruction and Development was made this week.

The bonds, dated June 1, 1954, due June 1, 1969, are being offered at a price of 99¼ by a large group of dealers and banks headed by A. E. Ames & Co., Wood, Gundy & Co. and Dominion Securities Corp.

This is the second issue of International Bank bonds offered in the Canadian market. In February, 1952 an issue of \$15 million 4% 10-year bonds was offered and over-subscribed.

Including the latest issue of the Bank of Canada, total outstanding funded debt amounts to the equivalent of U. S. \$776,678,354 divided into 17 issues. Eight issues amounting to U. S. \$665 millions are denominated in U. S. dollars. The remaining nine issues, equivalent to U. S. \$111,678,354, are denominated in Canadian dollars, pounds sterling and Swiss francs.

At May 31, 1954, the Bank had entered into 102 loan commitments totaling the equivalent of U. S. \$1,892,948,464. These commitments largely have as their objective the financing of the foreign costs of reconstruction and development in 30 member countries of the Bank and three overseas territories of member countries.

Borrowers include governments, government agencies and private business and industry. Where the borrower is not a government, the Bank, as required by its Articles of Agreement, has obtained the guarantee of the government of the territory where the project financed is located.

LOST AND FOUND

At loss for a way to increase production, improve quality, or reduce maintenance costs? Maybe—with our help—you'll find the answer in cutting oils, process aids, lubricants and greases. Scores of plants have already profited from Sun's research and problem-solving help. And it's very likely that *your* operating and inventory puzzles can be handled just as successfully. It costs you nothing to find out; just get in touch with us.

Industrial Products Dept.
SUN OIL COMPANY LTD.
TORONTO AND MONTREAL

Common Stocks

We have prepared a memorandum describing a number of selected common stocks which are recommended for investment.

Copy on request

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Members: Montreal Stock Exchange
The Toronto Stock Exchange
Canadian Stock Exchange
507 Place d'Armes, Montreal
OTTAWA QUEBEC SHERBROOKE TORONTO

Quebec May Follow Ontario Securities Policing Lead

MONTREAL (Staff) — A new securities commission may be set up in Quebec, patterned after the one in Ontario chaired by O. E. Lennox.

That's how investment men here interpret Premier Duplessis' brief statement that he plans to amend the Securities Act. The important overhaul will take place through legislation to be submitted at the next session of he House in the fall.

Many in the investment community have long felt that Quebec's present securities regulation machinery is ancient and outmoded, that it badly needs revision. While in many cases it may not actually cause trouble, there is general agreement that tightening up is essential.

Setting up a group similar to the Ontario Securities Commission would be welcomed here. The first of its jobs, it's felt, should be preparation of a well-defined set of rules and regulations regarding the issue of securities, and there are indications that this will be pushed under the new plans. The present set-up, it's argued, gives too much discretionary power to the registrar in Quebec City, so that underwriters cannot always be sure exactly how they stand.

Laws Are 'Vague'

"The present laws don't give our firm any trouble," one dealer reported, "but they are a bit vague. The tendency is to get on a par with Ontario, which has a well codified, systematic set of requirements."

One point which may be a factor in setting the long-overdue revision into motion: "hot-stock" operators chased out of Ontario by the crusading Lennox Commission are thought to have been moving into the Montreal area. Already, there have been one or two crackdowns. This problem could get bigger.

Premier Duplessis may have been referring to this when he said in his statement that heavy stock market trading and important mining developments in the province make certain changes imperative. It's known that the Investment Dealers' Association and the Montreal Stock Exchange recently drew to the attention of the province the operations of certain promoters whose practices were considered unethical.

Whether the problem of a uniform prospectus for all provinces—patterned on the requirements of the Dominion Companies Act—will be dealt with under the new set-up is not yet known.

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RI. 7547 HA. 0060

HOLLAND LIFE INSURANCE SOCIETY LTD.
Ao 1807

NOTICE is hereby given that the Holland Life Insurance Society Ltd., Ao 1807, Toronto, Canada, has received from the Department of Insurance, Ottawa, Certificate of Registry No. C 1501, dated June 2, 1954, authorizing it to transact in Canada the business of LIFE INSURANCE.

J. C. TUPKER,
Chief Agent and
General Manager.

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for insurance or probate purposes.
Gem stone identification.
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THE GEM LAB.
By appointment only — EM. 3-9592
We do not buy or sell Jewellery, therefore, all appraisals are unbiased.

The Right Decision

Sometimes investors are content to take a chance when purchasing a new security.

But usually they wish to be sure beyond reasonable doubt that the security they select is the right one for their needs.

In the latter case, many wise investors consult us. The advice of our organization, with its many years of training and experience in the securities field, is usually invaluable to them in making the right decision.

Our organization is available to assist you at any time.

Wood, Gundy & Company
Limited
Toronto Montreal Winnipeg Vancouver Halifax
Quebec Ottawa Hamilton London, Ont.
Kitchener Regina Edmonton Calgary
London, Eng. Victoria Chicago New York

MEN FIND A FORTUNE IN Comfort!
Clarks DESERT CASUALS

DESERT SADDLE
Sand dunes shade. C. D. and E widths: sizes 6 to 12. Average price \$12.95.

DESERT MOROCCAN
. . . Brown Thicket shade. C. D. and E widths; sizes 6 to 12. Average price \$12.95.

THE CHUPPLEE
Bamboo shade. Medium widths; sizes; 6 to 12. Average price \$11.95.

A man's ideal shoe for his leisure hours his long week-ends. A refined reproduction of the original Desert Boot so well known for comfort by the men who fought in North Africa. The casual styling is smart. The leather's are in chamo-suede finish: Chupplee in smooth bamboo colored calf, soft . . . light . . . tough. Soles and heels of plantation (pure rubber) crepe. Four models: Desert Boot: Desert Saddle: Desert Moroccan: The Chupplee. Average prices \$11.95 to \$12.95.

At better stores everywhere: Please write for name of nearest dealer.

THE FAMOUS "DESERT BOOT"

Your feet find a new world of comfort and flexible ease in this famous shoe. Light sand tone with soles and heels of plantation (pure rubber) crepe. Average price \$11.95. D and E widths. Sizes 6 to 12.

THE WORLD'S MOST TRAVELLED SHOES

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3543 Danforth Avenue, Toronto 13, Canada
In U.S.A. . . . Clarks of England
15 Merwin Street, Norwalk, Conn.

CLARKS CASUALS are made in England.

The Fifteen Year Canadian Dollar Bonds of 1954, due June 1, 1969, referred to herein, are being offered for sale in Canada, but not in the United States of America. This Prospectus is not an offering of such Bonds in the United States of America or the territories or possessions thereof or an offering to any resident thereof or a solicitation therein of an offer to buy any of such bonds.

New Issue

$25,000,000

International Bank for Reconstruction and Development

3½% Fifteen Year Canadian Dollar Bonds of 1954

To be dated June 1, 1954 **To mature June 1, 1969**

THESE BONDS ARE NOT AN OBLIGATION OF ANY GOVERNMENT

Principal, half-yearly interest thereon (June 1 and December 1) and redemption premium, if any, will be payable in lawful money of Canada at any agency of the Bank of Canada in Canada, at the option of the holder. Bonds will be available in coupon form in denominations of \$1,000 and \$10,000, and in fully registered form in such denominations as may from time to time be authorized by the Bank. Bonds of any authorized denomination or form will be exchangeable subject to the conditions set forth in the Bonds for an equal aggregate principal amount of Bonds in any other authorized denomination or form. Registration, transfers and exchanges of Bonds will be made at the Bank of Canada in Ottawa.

Fiscal Agent: Bank of Canada

In the opinion of our Counsel, these Bonds will be investments in which the Canadian and British Insurance Companies Act states that companies registered under Part III thereof may, without availing themselves of the provisions of sub-section (4) of Section 63 of the said Act, invest their funds.

Price: 99.25 and accrued interest

We, as principals, offer these Bonds subject to prior sale and change in price if, as and when issued by the International Bank for Reconstruction and Development and accepted by us, subject to the approval of all legal matters by the General Counsel of the Bank, or in his absence by its Acting General Counsel, whose opinion as to matters of Canadian law may be based solely on the opinion of Messrs. Borden, Elliot Kelley, Palmer & Sankey, Toronto, and by our Counsel, Messrs. Blake, Cassels & Graydon, Toronto, who will rely with respect to certain matters upon the opinion of Counsel of the Bank.

Subscriptions will be received, subject to rejection or allotment in whole or in part and the right is reserved to close subscription books without notice. It is expected that Bonds in bearer definitive form will be available for delivery on or about June 29, 1954.

A copy of the Prospectus will be furnished upon request

A. E. Ames & Co. Limited
McLeod, Young, Weir & Company Limited
Royal Securities Corporation Limited
Greenshields & Co Inc
James Richardson & Sons
Pemberton Securities Limited
Burns Bros. & Denton Limited
Eastern Securities Company Limited

Wood, Gundy & Company Limited
Nesbitt, Thomson and Company, Limited
Mills, Spence & Co. Limited
W. C. Pitfield & Company, Limited
Cochran, Murray & Co., Limited
Harris & Partners Limited
Dawson, Hannaford Limited

Dominion Securities Corpn. Limited
L. G. Beaubien & Co., Limited
Bell, Gouinlock & Company, Limited
Gairdner & Company Limited
Midland Securities Corpn. Limited
René-T. Leclerc Incorporée
Equitable Securities Canada Limited
The Western City Company Limited

June, 1954

Government and Corporation
Securities

. . . .

N. L. MacNames & Company
LIMITED
Members of the Investment Dealers' Association of Canada
86 King Street West, Hamilton — 19 Melinda Street, Toronto 1
JAckson 7-6656 — EMpire 4-3343

As principals we offer subject to prior sale:

$25,000
GREAT PLAINS DEVELOPMENT COMPANY OF CANADA LIMITED

3%-4% Residual Notes Due April 1st, 1965

Price: 84.00 and accrued interest

Yield: 5.94%

BURNS BROS. & DENTON
Limited
44 King St. W., Toronto — 507 Place d'Armes, Montreal
Winnipeg — Ottawa — New York

Christie Brown Buys Mtl. Site

MONTREAL (Staff) — As part of its current expansion program, which will eventually double its production capacity, Christie Brown & Co., Toronto, has purchased a 26-acre plot of land in the eastern part of Montreal. Construction will begin this year of a $4 million plant on the site. The land was owned by the CNR. No purchase price has been disclosed.

The new plant will make biscuits and cakes for distribution in Quebec and the Atlantic Provinces.

These debentures having been sold, this advertisement appears as a matter of record only.

New Issue:

$370,000
Town of Boissevain, Manitoba

5% Serial Debentures

Dated May 1, 1954. — Maturing May 1, 1955-74 incl.

Purpose of Issue

Proceeds of this issue will be utilized to defray the cost of installation of modern water and sewage system in the town.

HARRISON & COMPANY WESTERN,
LIMITED
225 Curry Building — Winnipeg, Manitoba

John Labatt Limited

- a stable industry
- an orderly expansion
- an attractive equity
- a 5.00% return

A copy of a review entitled "Mead Malt and Management" will be sent on request. Refer to Dept. X.

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$10 Million Oil Refinery For North Star

North Star Oil Ltd. has finalized plans for construction of a 12,000 barrels a day oil refinery at St. Boniface, Man. A contract has been let to Canadian Kellogg Co., covering the complete project to cost around $10 millions.

The new refinery will be one of the largest and most modern on the Prairies and will produce high octane gasoline and other products of premium quality from Canadian crude oils, vice-president W. R. MacArthur states. The new plant will include atmospheric and vacuum crude oil distillation, naphtha reforming, fluid catalytic cracking of the new Orthoflow type, gas recovery, catalytic polymerization, propane facilities. Plant completion is scheduled for mid-1955.

MANAGED INVESTMENT

How MacNab's Diversified Portfolio Is Paying Off

Some thought should be given now to accepting profits, following the long rise in stock markets, says the manager of MacNab's account.

However, he adds, the rise in the high grade bond market has reduced yields so much that they are considerably less attractive than those available on common and preferred stocks, taking into consideration the 20% tax credit on dividends. So long as this spread in yields exists, good grade common and preferred stocks continue to be good holds for investors, he feels.

Recent market action in shares of Canadian Pacific Railway Co. illustrate the advantages of diversification in a portfolio, MacNab's manager says. Because of its varied interests, CPR should continue to reflect any improvement in the general market trend, he suggests.

MacNab's Manager Says:

The advantages of diversification in the portfolio of the investor seeking better-than-average income consistent with a reasonable degree of safety are borne out in MacNab's account through the recent market action in Canadian Pacific Railway shares. His holdings in this stock represent the only rail issue in the account (public participation in railroad shares in Canada is more or less limited to this one company).

CPR recently gained 2¾ points in a week, then slipped back about $1 to $26, increasing the value of the holdings of this stock (60 shares) by $105.

An unusual degree of diversification is inherent in CPR. The company's investments include ownership of a controlling interest in Consolidated Mining & Smelting, large holdings of land, including mineral rights to oil lands in Alberta and Saskatchewan, steamships, hotels, the C.P. Telegraph system and other assets operated in conjunction with the transportation system.

Recent trend in CPR and CNR earnings has been downward, due to increase in operating costs, particularly wages, as the powerful railway unions engage in a battle for more benefits, fewer hours per week, higher pensions, etc. These higher costs have been passed on to the public by rate increases.

A careful appraisal of the tremendous potential in CPR shares, however, indicates that they have recently been undervalued in relation to the rest of the market. CPR has declined in the past two years from a high of $40 in 1952 to a recent low of $20⅝ in January of this year, and should now continue to reflect any improvement in the general market. Furthermore, a recent increase in the price of zinc has increased the market value of Smelters which, in turn, has caused a corresponding increase in CPR.

Due to the fast rise in the stock market, both in Canada, the U. S. and in London, some thought should now be given to accepting profits. It should be noted, however, that present yield on high grade bonds due to a substantial rise in the bond market in 1954 to date is not attractive to the private investor compared with the more attractive yields obtainable on common and preferred stocks, particularly due to the 20% tax credit on dividends of Canadian corporations for income tax.

An artificial scarcity value is placed on certain popular blue chip stocks which are legal investments for insurance companies, due to the limited floating supply of these issues. In addition, the tremendous buying power of the large mutual funds has an effect on the market for this type of investment.

The Canadian Government has wisely made it attractive for Canadians to own an interest in our Canadian corporations, through the tax allowance already referred to. So long as an attractive spread between bond and stock yields exists in Canada, the private investor should hold good grade common and preferred stocks in his portfolio, the percentage varying in accordance with the circumstances of the individual.

Brisk Activity Launches Short-Term Money Market

By VINCENT EGAN

Activity was brisk when Canada's newest money market began operating this week. In the first days' operations on the new day-to-day money market (The Post, May 8), investment dealers made substantial borrowings from the chartered banks at the initial rate of 1½%.

The day-to-day market which came into existence on Monday works in much the same way as the London and New York short-term money markets. One of its prime aims is to develop a market for treasury bills and short-term securities, thus providing a profitable outlet for temporarily idle funds held by corporations and municipalities.

On the basis of initial reactions, some investment dealers say, Canadian corporations and municipalities have yet to be educated to the workings of the new market. While some negotiations between investment dealers and corporations have been undertaken, actual transactions so far seem to have been limited to the chartered banks and investment dealers.

Here are the 13 investment houses which, The Financial Post understands, have obtained Bank of Canada approval to participate in the day-to-day call loan market:

A. E. Ames & Co.
Burns Bros. & Denton Ltd.
Dawson, Hannaford Ltd.
Dominion Securities Corp.
Equitable Securities of Canada Ltd.
Greenshields & Co.
Harris & Partners Ltd.
McLeod, Young Weir & Co.
Mills, Spence & Co.
Nesbitt Thomson & Co.
Royal Securities Corp.
E. M. Saunders Ltd.
Wood, Gundy & Co.

Other investment dealers may be added to the "approved" list as operation of the short-term money market progresses. Any jobber in Government of Canada securities who has been granted rediscount facilities with the Bank of Canada may apply to the central bank for permission to participate in the new market. If the dealer shows a serious interest in this market, and if the Bank of Canada feels that it is desirable to broaden the market, the dealer's application would probably be approved.

Rate Will Fluctuate

The interest rate in the new market — fixed at 1½% for the first week's operations — is expected to fluctuate with the highly sensitive interest rate on treasury bills. That rate is currently about 1.62% on 91-day bills. While the exact rate on call loans will be determined by the law of supply and demand, it should normally be about one eighth or one tenth of 1% below the treasury bill rate.

In the event that the chartered banks made it necessary for the investment dealers to go to the Bank of Canada as a last resort for their financing—which they could do by simultaneously calling in their day-to-day loans—the dealers would then have to pay the rediscount rate, currently 2%. But even this rate would be lower than the rate paid for the old type of "call loan."

The new call-loan market is a telephone market, operating in Toronto and Montreal. No immediate change in the interest rate is expected to take place when it is set free next week.

How will the new market benefit its participants? Here is what T. H. Atkinson, president, Canadian Bankers' Association, says of it:

"It should have a direct bearing on the efficient channeling of funds for development purposes and capital investment.

"It should increase the mobility of short-term capital, thereby helping to reduce the cost of doing business.

"Through this new medium the banks will have a very liquid form of investment which might be considered as coming in between cash and treasury bills, and one which can be utilized at a lower over-all cost than dealing directly in treasury bills every time it is necessary to adjust cash reserves.

"Investment dealers will also have a new facility for carrying inventories of short-term government securities at low rates of interest and on special and very low margins, which should enable them to broaden considerably the scope of their operations in this field."

Earlier System

Before the Government introduced its policy, early in 1953, of issuing a wider variety of maturities of treasury bills, trading in treasury bills was confined to the chartered banks on the one hand and the Bank of Canada on the other. Investment dealers financed their inventories of securities through so-called "call loans" from the chartered banks at interest rates ranging from around 2½% to 3½%. In practice, these were not usually call loans at all; the bank-customer relationship was such that the bank would not wish to embarrass the customer by calling the loan unexpectedly.

Last year, in a series of moves designed to encourage the growth of a short-term money market, Ottawa changed its regular offers of treasury bills from a fortnightly to a weekly basis, and made nine-month bills available in addition to the usual 91-day bills. It also entered into purchase and resale agreements with bond dealers who take a jobbing position in the short-term Government of Canada market. This setup made it possible for the dealers to obtain financing for their holdings of short-term securities at a cheap rate from the Bank of Canada, instead of paying normal rates of 2½%-3½% as charged by the chartered banks.

Under the arrangements which went into effect this week, the money market will be broadened still further. From the viewpoint of the investment dealers, who had access to Bank of Canada financing, the chartered banks will now take the place formerly occupied by the central bank, which in turn moves one step to the rear to serve as a backstop.

One important difference is that the chartered bank can recall its loan any day. But when it does, the dealer can simply replace the first loan with a second obtained from another chartered bank at approximately the same rate of interest, or, as a last resort, from the Bank of Canada at the rediscount or "penalty" rate of 2%. The much greater liquidity which the banks enjoy under the new setup makes it possible for them to offer these loans at about 1½%.

The dealer will also get another break. The banks' margin on loans to investment dealers, secured by short-term government bonds and treasury bills, used to range from 2% to 5%, subject to negotiation. This margin has now been greatly reduced, and is expected to range between one tenth and one half of 1% on the new call loans.

Helps Corporations

A major objective of the new market is to attract the participation of corporations, municipalities, and possibly some individuals. What's in it for them?

Suppose that a corporation has large cash reserves lying idle, but that it will require those funds in two months. Before the advent of the day-to-day loan market, it might have arranged with its investment dealer to purchase a 3% Government of Canada bond at a dollar price which would yield 2%. The dealer would undertake, in writing, to buy the bond back two months later, again at a dollar price to yield 2%. During the two months that the corporation holds the bond, it receives interest at 3% of its face value.

If the corporation is in the 50% income tax bracket, it has to pay out one half of this interest (that is, 1½%) in taxes. So the net return to the corporation is ½%—the difference between the 2% yield and the 1½% tax bite.

Now, in the day-to-day loan market, the corporation may get an interest rate of about 1.54%, representing a yield of 0.77% after taxes. This is about 54% better than the yield of 0.50% which the corporation would have received in the first illustration.

Ottawa Sponsors Mine Protection System for Ships

MONTREAL (Staff) — While the Government is not changing its stand on the denial of operating subsidies for Canadian deep-sea ships, it is sponsoring a program to help protect its own vessels from magnetic mines in a future war.

Degaussing devices will be installed on 18 Canadian-flagships this year under a $300,000 Department of Transport program. The device consists of a loop of wire around the hull through which electricity is passed. This sets up a magnetic field which is calculated to offset the vessel's own magnetic field, thus making the demagnetized vessel safe from magnetic mines.

As well as the three large Canadian National Steamships, B.W.I. ships, two smaller CNS ships and six Canadian Pacific freighters and two tankers are to share in the program. Government ferries and Arctic vessels will be similarly treated.

WHY BE CROWDED

Plan your next convention in the spacious beauty of the north — write

EMPIRE HOTELS

North Bay — Huntsville — Timmins

ANNOUNCEMENT

JAMES E. COLBY

James E. Colby, Toronto, has been appointed Manager of the Bureau of Industrial Service (Canada) Limited, a subsidiary of Young & Rubicam Limited. The Bureau provides a complete Public Relations and Publicity Service to clients of the parent company in Canada.

Mr. Colby, a native of Fredericton, is a graduate of the University of New Brunswick and served during the war as a Lieutenant in the Royal Canadian Navy. He was formerly engaged in newspaper work with the Saint John Telegraph-Journal and the Canadian Press. In recent years he has been prominently identified with advertising and public relations organizations in Ontario.

CANADIAN BREWERIES LTD. issued in May 262 common shares on conversion of 4½% 10-year convertible sinking fund debentures, and 28,700 under company's stock purchase plan. Outstanding are 2,543,768 common shares.

We, as principals, offer

THE MONTREAL METROPOLITAN COMMISSION
4% BONDS

TO MATURE NOVEMBER 1, 1974
(CALLABLE FOR REDEMPTION AT 100 BUT NOT BEFORE 1960)

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1,000,000 Shares

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Common Shares
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Price $32 per Share

LEHMAN BROTHERS

June 3, 1954.

New Issue

$3,665,000
The Montreal Metropolitan Commission

3¼%, 3¾% and 4% Serial Debentures

To be dated May 1, 1954 — To mature November 1, 1955-74

Principal and half-yearly interest (May 1 and November 1) are payable in lawful money of Canada at the office of the Commission's bankers in Quebec, Montreal and Toronto. Coupon Debentures, registerable as to principal, in the denomination of $1,000 with respect to the Debentures maturing in 1955 to 1973 inclusive and in the denominations of $500 and $1,000 with respect to the Debentures maturing in 1974. The Debentures may be redeemed before maturity in whole or in part at their nominal value and accrued interest on any interest maturity date but not before the year 1960.

These Debentures in addition to being an obligation of The Montreal Metropolitan Commission, are a joint and several liability of the fifteen Member Municipalities. Each definitive Debenture will bear the Certificate of Legality of the Minister of Municipal Affairs of the Province of Quebec.

The proceeds from the $3,665,000 principal amount of Debentures will be used to reimburse the Commission for loans which it has advanced to certain municipalities to carry out local improvement works payable by bordering proprietors, who have asked for them, and for other municipal expenses.

Schedule of Maturities

Maturity Nov. 1st.	Amount	Coupon
1955	$180,000	3¼%
1956	190,000	3¼%
1957	190,000	3¼%
1958	200,000	3¼%
1959	180,000	3¼%
1960	190,000	3¼%
1961	190,000	3¼%
1962	200,000	3¼%
1963	210,000	3¼%
1964	140,000	3¼%
1965	$140,000	3¾%
1966	150,000	3¾%
1967	160,000	3¾%
1968	160,000	3¾%
1969	130,000	3¾%
1970	140,000	3¾%
1971	150,000	3¾%
1972	150,000	3¾%
1973	160,000	3¾%
1974	455,000	4 %

Prices*

1955 to 1964 maturities: Sold
1965 to 1973 maturities: To yield 4%
1974 maturity: 99.75 to yield 4.02%
*Prices quoted are "and accrued interest".

We offer these Debentures as principals, if, as and when issued and accepted by us.

It is expected that interim Debentures will be available for delivery on or about June 21, 1954.

McLeod, Young, Weir & Company Limited — **Bell, Gouinlock & Company,** Limited
Mills, Spence & Co. Limited — **Royal Securities Corporation** Limited
Casgrain & Company Limited

The statements contained in this advertisement are based upon information which we believe to be reliable, although we cannot guarantee their accuracy.

Short-Sighted Policy

A senior official of Canada's biggest labor group has said immigration should be cut back until the unemployment problem is solved. If it isn't, he says, this country "faces a major unemployment problem."

This statement was made by Claude Jodoin, vice-president of the 600,000-member Trades and Labor Congress of Canada. Other similar sentiments have been voiced in recent months, mostly from the same quarter. All of them are going to be ringing in the ears of Members of Parliament when they consider the whole business of immigration as they are expected to before the end of the session.

In this discussion it is to be hoped that the complete picture of our immigration policy will be kept in mind. That policy has never been aimed at creating a surplus labor market. In its proper setting, immigration should not and cannot be connected directly with unemployment.

The million immigrants that have been brought into this country since the end of the war have been brought in to build up the whole economy.

Immigrants do much more than fill jobs. They are additional customers ready to buy the output of our factories and to build up the domestic market as export markets shrink. In many cases, they come with badly needed skills—and sometimes capital—to invest in Canada.

Up to the present, Ottawa has followed a reasonable policy of partially closing immigration doors during winter months when tide-over jobs were more scarce and many seasonal activities were pretty well shut down.

That practice didn't reduce the total brought in during any one year. Nor did it alter the long-term plan of increasing our population to strengthen our general economic life.

Now, however, these labor spokesmen are asking that this long-term plan be interrupted, because of some unemployment. There is strong doubt that closing off immigration would noticeably ease that problem even temporarily.

The other factor expected to be considered as grounds for reducing immigration is the lack of suitable housing for these new citizens. But the contentions here appear equally unsound.

In the first place, some of this immigrant labor is going into brand new remote areas where native Canadians have shown little inclination to live—but where housing is provided by the companies. In others it is going to areas where houses have been actually vacated by Canadians caught up by the glitter of modern life in larger centres.

And as far as housing is concerned, a big chunk of the workmen building our new homes are former Europeans or Britons who have been willing to undergo the apprenticeships that our youths are shunning more and more.

If we are to develop our basic industries—minerals, pulp and paper—how is it to be done without a ready supply of these new Canadians? The fact is that these people are creating jobs, not taking them away.

Looking at the future possibilities for this country's development, it is short-sighted—and stupid—to tie immigration to any set of monthly employment figures.

What's A Reasonable Profit?

In a brief presented to the Restrictive Trade Practices Commission at Ottawa recently, appeared this observation:

"Human nature, being what it is, the consumer sees only the low price tag and buys unmindful of the principle of reasonable profits to maintain our free enterprise economy."

It is perfectly true and it should be quite obvious that no legitimate business can continue for any length of time unless there is a profit. Wipe out that and you wipe out capital incentive and eventually the business itself.

But what is a "reasonable" profit? And who is going to determine the rate?

For an efficient business with up-to-date equipment and ideas a few cents on an article that costs the consumer a dollar might be ample.

For an inefficient business with out-of-date methods and equipment four or five times that much might be necessary to keep going.

Normally in a free enterprise economy the important matter of profits is settled by competition, with the most efficient and advanced ever setting the pace. If we turn that job over to a government commission or a trade body then our economy can no longer be free.

We Want To Be Ourselves

Canadians may have their faults but no observer who pretends to know anything of this country has ever accused them of narrow nationalism. We simply want to be Canadian.

Long ago we decided that we wished to develop an independent nation, to create within our own political framework, a Canadian social and cultural life and our own industrial and economic structure.

At the annual meeting of the Maclean-Hunter Publishing Co. last week, President Floyd S. Chalmers summed it up this way:

> "We want to know how other people live, we want to sing some of their songs, see some of their films, read some of their books and magazines, and buy some of their products. We want to be independent but not isolated; we want to form ideas from the world just as we share ideas with the world. But at the same time we do not want to live someone else's way of life; we want to be Canadians, living the Canadian way of life."

How can we accomplish that reasonable aim?

Mr. Chalmers stressed one major contribution, the development of a national periodical literature, literature that keeps Canadians informed of the achievements of their own people, "that inspires, informs and entertains in Canadian terms" and that does this in a national setting that "breaks down the excessive sectionalism that has been the bugbear of Canada's historical development."

Outsiders cannot build a strong and independent Canada. They can help and their help is welcome. But the major responsibility for building Canada must always rest on Canadians themselves.

Where to Draw the Line

Do you raise your kiddies on a diet of comic books?

A lot of people do. About 90 million a month of these toasting hot horrors for the tender trade circulate, mostly in the United States and some in Canada.

What makes a good cover for a crime comic?

The head of one U. S. printing house which runs off around two million crime comic books a month was recently asked by a U. S. Congressional Committee if he thought it was good taste to have the cover of one of his books showing a man with an axe holding high the severed head of a blond woman.

His reply: "Yes, I do—for the cover of a horror comic. I think it would be bad taste if he were holding the head a little higher so the neck would show with the blood dripping from it."

At least, there you have an interesting, clear-cut distinction between good and bad taste. See how well Junior's interests are being looked after!

Not a New Problem

No reasonable person can have been much surprised at the news that "quite a number of undesirables" have joined the Canadian army. And in our army at present undesirability must have to take a pretty extreme form before it becomes good policy to throw out a man who has duly signed up at a time when it is very difficult to get the number of recruits desired.

Every nation is faced with this problem. It is not absolutely new; there were subversives in many armies before Marx wrote and Lenin made revolutions. Techniques for dealing with it have been evolved by all these nations, and are perfectly familiar to the Canadian high command. It is not a subject which can be advantageously discussed in public, and the successful operation of the techniques probably depends more on the intelligence of the officers than on anything else—except the common sense of the majority of the men.

Certainly nothing is to be gained by the kind of discussion which gets every civilian looking at every soldier whom he sees and wondering to himself: "Is this chap a Communist, just waiting to knife his corporal in the back?" Actually most of the so-called "undesirables" are not more than people with a natural incapacity for discipline and an instinct for making trouble. All armies have had that problem since the beginning of warfare, and in all of them the best prophylactic has been the attitude of the good soldiers themselves.

Is One Enough?

Since Trans-Canada Airlines was established in 1937, it has enjoyed a virtual monopoly in air transportation in this country.

The Canadian going from Montreal to Vancouver by train has the choice of riding the government-owned Canadian National Railways or the privately owned Canadian Pacific Railway. In the United States, he has a choice between several airlines in flying coast to coast. But in Canada, if he wants to make the same trip by air he goes TCA.

He doesn't even have any choice in air freight. If TCA air freight service doesn't satisfy him, he has no alternative.

Despite repeated applications by other airlines, the principle of TCA monopoly has been maintained. No other Canadian airline has been allowed to operate nationally in Canada or from Canada to Europe.

Now, however, Scandinavian Airlines System has been granted permission to fly from Stockholm over the northern route to Edmonton and then on down to Los Angeles.

This permission has been granted Scandinavian though it is known that Canadian Pacific Airlines has wanted to fly this route for some time.

Considering the over-all Canadian aviation situation in a series of editorials, the Edmonton Journal has come to the conclusion that TCA should be sold to private owners, commercial aviation opened fully to Canadian operators and that a reconstituted Air Transport Board should make a thorough examination of existing commercial air transport services.

Whether or not the time is ripe for such a sweeping revision of air line policy in Canada sooner or later we must ask ourselves if such a tight government monopoly is the best way of handling this rapidly growing and vital service.

We're Lucky

Occasionally one of the millions of Canadians and Americans who cross each other's border every year runs into a bit of trouble. Undoubtedly even on this continent we could make this business easier and pleasanter. But note this little news item from a newspaper in Istanbul:

> "A Bulgarian civilian tried to escape into Turkey.
>
> "Three Bulgarian border guards fired at him, killing him instantly.
>
> "In attempting to recover the body, the guards entered Turkish territory, fell into a mine trap and were killed."

Few of us fully realize how fortunate we are to be living in this blessed part of the world. We aren't hungry; we aren't afraid and we're free to go where we please.

Argentina Is Selling Wheat

In the first nine months of the current crop year exports of wheat both from the U. S. and Canada to Great Britain were down substantially from the corresponding period a year ago, according to the Corn Trade News of Liverpool. That will not be news to anyone who has been watching the surplus pile up on this continent. But what is news and perhaps significant news is the further report that during the same period, from August, 1953, to April 24, 1954, exports from the Argentine were up over 72 millions.

In other words, the Argentine is selling a lot of wheat while we are selling a lot less.

Exactly the same thing happened back in 1928 and 1929. While Canada then held back for higher prices, the Argentine unloaded. In the end we were forced to liquidate our holdings at substantially lower prices than we might have received had we met the Argentine competition.

It is not going to be easy to sell wheat this year with enormous stocks on this continent and elsewhere. But one cannot help but wonder if we are really trying. Simply hoping that a crop failure somewhere will help us out is not enough. Simply waiting until the other fellow cuts prices before we shave ours will not bring us orders. Sooner or later we are going to have to push wheat sales by every possible means and the sooner we start pushing and stop hoping for crop disasters, the better for all of us.

Napier Moore's Scratch Pad

OUR RECENT REFERENCES to wild rabbits, the havoc they have wrought in our garden, and the failure of all our ingenious attempts to cope with them have brought us a number of letters from fellow sufferers. Newspapers in several parts of Canada have called attention to our plight. But from only one source have we received word of a solution to the problem. And in our case it isn't very practical.

J. W. Handley, of Creston, B.C., sends us a clipping (its source isn't given) of an article entitled "Myxomatosis—or how to get rid of rabbits." It tells how Australian scientists are conquering the pest in their country by spreading a virulent rabbit disease called Myxomatosis. They do this by using mosquitoes as carriers, and they're encouraging mosquitoes to breed so that there'll be enough of them for a Commonwealth-wide campaign. As it is, 90% of the rabbits in the state of Victoria have been eliminated.

Oddly enough, in England a committee of experts is sweating blood in search of a method of checking Myxomatosis. British farmers, whose crops aften are destroyed by wild rabbits, hate them. But British rabbit breeders, who make a lot of money out of fur, are terrified that the disease may spread to the domesticated animal. It's all in the point of view.

In Australia, of course, there is only one point of view. To defend West Australia from rabbits a fence was built from the Australian Bight to the Indian Ocean. The rabbits got through. A second line of defense was built—2,000 miles long. The rabbits got through, and by 1950 were eating as much fodder as 40 million sheep and totally destroying pastures.

Myxomatosis sounds like a dilly of an idea, but, as we said, it's a bit impractical for us. Our garden is quite a bit smaller than Australia. We have mosquitoes, of course — four-engine types, too. But it would be quite a task to catch them and infect them with Myxomatosis germs. Anyhow, we haven't got any Myxomatosis germs. No, we'll just have to stop planting things.

• • •

MERCHANTS ON TORONTO'S main downtown shopping thoroughfare, Yonge Street, aren't plagued by rabbits, but they are by other burrowers. First there was the construction of the subway, which made the street a shambles. No sooner was the subway finished than the Hydro started burrowing to lay ducts for conversion of electrical systems from 25 to 60 cycle. Next the gas company has a burrowing project. This sort of thing has been going on for four years, and the end is not yet in sight. It has been impossible to keep stores clean and tidy. Clouds of dirt fill the air. Shopkeepers have re-named the street "The Texas Dustbowl."

But that isn't all. Smaller shops are finding that the new subway is whizzing customers right past them to the large departmental stores. Some shops are reducing staffs. Others are going to move north to the Bloor Street area, where business is booming.

"Style," a business paper which is in close touch with retailing, heads an editorial "Yonge St. Dying?" and suggests that even when all the mess has been cleaned up the solution may be for smaller stores to stay closed until noon and stay open until a late hour at night to catch the after-working-hours trade. In short, Yonge Street may have to do what New York's mid-town Broadway had to do.

• • •

FEMALE PEDESTRIANS on Yonge Street also have a problem. At intervals there are gratings in the sidewalk, over the subway. When a train swooshes by underneath, a draft swooshes up and lifts the skirts of any woman who happens to be walking over the grating at the moment. A Toronto newspaper sent a photographer to take pictures of it happening. Gad, Sir, we remember when newspapermen were more gallant.

• • •

THE BRITISH HEALTH MINISTRY has had a team of doctors and scientists conduct an enquiry into how the average working man spends his time. According to the report, he spends about 36 hours a week just sitting in a chair. He spends about 60 hours a week in bed, 47 hours at work. He spends seven hours a week doing odd jobs around the house, gardening and helping his wife. And the time spent on fetching and carrying, which includes bringing in coal and wood, occupies six minutes a week.

In their leisure time, younger men spent half an hour a week playing strenuous games, or an hour on billiards or darts. Most of their leisure appeared to be devoted to sitting in a chair looking at television, reading or doing nothing.

• • •

THE TEMPERATURE in Toronto having reached 85, the idea of doing nothing rather appeals to us.

Stop Me If

Magistrate: "You are accused by your landlord of being drunk and setting fire to the bed."

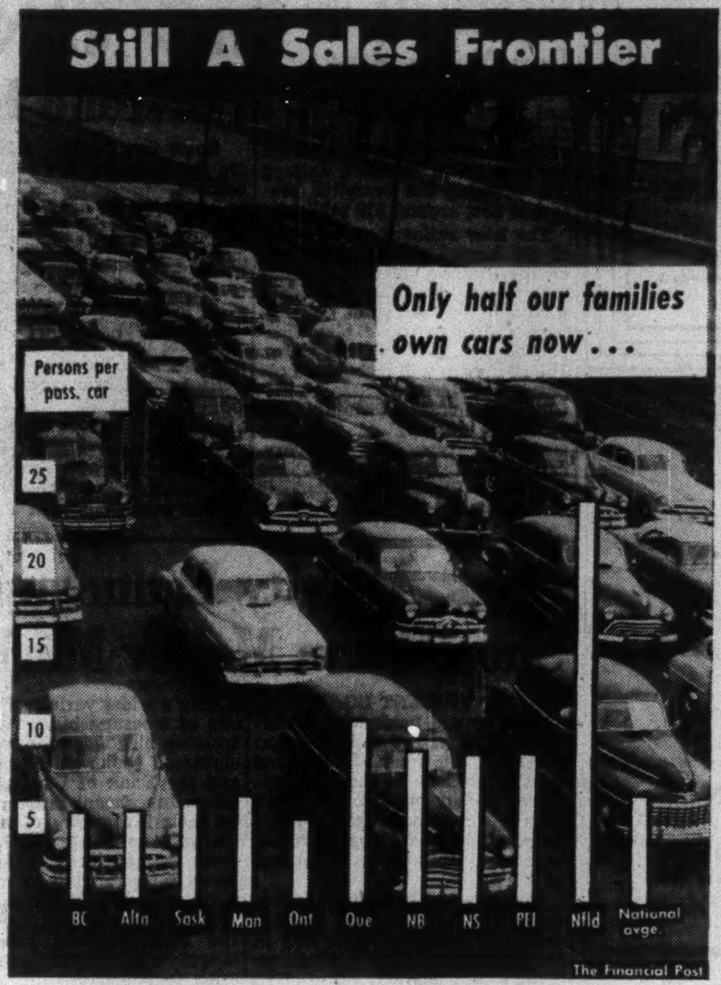
"It's a lie," cried the prisoner indignantly. "That bed was on fire when I got in it!"

An agricultural expert received an inquiry from an amateur poultry-keeper, who asked: "How long should a fowl be allowed to sit on its eggs?"

The expert replied: "Three weeks for chickens; four weeks for ducks."

A month went by, and the poultry-keeper sent another letter: "I let the hen sit on the eggs for three weeks," he said, "and no chickens came. I didn't want ducks, so I took her off the nest and sold the eggs."

Still A Sales Frontier



The Financial Post

Post Scripts

Top Underwriter

New chief executive officer of a fire and casualty insurance association whose members underwrite some $250 millions worth of premiums annually is a 62-year-old Montrealer, Roland de Grandpre. He has just been elected president of the Dominion Board of Insurance Underwriters.

MR. de GRANDPRE

De Grandpre's new appointment carries with it wide responsibility for the industry-wide problems of 200-odd fire, automobile and casualty insurance companies which between them carry billions of dollars' worth of risks on their books—everything from insurance for broken windows to multi-million dollar disasters such as the Winnipeg flood and Sarnia tornado.

Contrary to the impression created by the French name and Montreal address, de Grandpre is not a native of Quebec. Actually, he comes from an historic Franco-American family dating back to the early French colonization and was born at Fall River, Mass., son of a doctor. Later he moved to Canada in his teens.

A veteran insurance executive with nearly 50 years in the business, colleagues describe him as "an alert businessman, with the old-time courtesy, dignity and humor of his Franco-American forebears."

Canadian manager for two major insurance companies, the New Hampshire Fire Insurance Company and the Granite State Fire Insurance Company, de Grandpre entered the insurance field fresh out of Montreal's Commercial and Technical High School in 1908 when he joined Evans and Johnson. Subsequently, he was with the Sun Insurance Company, London Mutual Fire Insurance Company and Consolidated Insurance Group before joining the firms he now directs.

One of the guiding spirits of the Dominion Board, de Grandpre has been active in its affairs, in a senior way, for many years. He also is a past president of the Canadian Underwriter's Association and currently is a member of its Council. He is a member of several organizations including the Montreal Board of Trade and Reform Club. He also is a life governor of Montreal's Notre Dame Hospital. The Grandpres have three sons, Phillipe, Jean and Pierre, two of them lawyers.

• • •

Alberta's No. 1 Farmer

Leonard C. Halmrast says he was the most surprised man in Edmonton one day back in January of this year.

It was the day he was sworn in as Minister of Agriculture, one of the top portfolios in the Government. "I was Minister of Public Welfare and was happy—I figured I could help a lot of deserving people. When the Premier approached me to succeed my fine colleague, the late 'Dave' Ure, that just about floored me. This big, bright office is quite a contrast to the homestead days down in the border country," he said.

MR. HALMRAST

Hon. L. C. Halmrast, as he is best known, was a "natural" for the agricultural post. He's a successful farmer and rancher. Premier Manning knew all this when the tall, mild mannered man from Lucky Strike, Warner Riding, took his seat in the House in August, 1945, following a by-election. He was spotted then as a "member you'll hear from."

He has a clear, direct, easy style on his feet, is 54, physically fit, sincere and practical in his job as chief of Alberta's half billion dollar a year farm industry. He helped break the Prairie sod in the Mild River-Lucky Strike country, southeast of Lethbridge, in 1912 when he came to Canada as a youth from La Crosse, Wis., and can shear a sheep as clean and fast as any ranch hand. He loves the land and the farm as a place to live and raise a family.

The Halmrasts came to Canada in the landrush days and homesteaded in the short grass country. As a teenager, young Leonard shouldered his share of the work on the farm.

At one point, Leonard Halmrast and his sons ran 1,500 sheep but he is now raising Hereford cattle—about 100 head. Although he lives in a dry land area, he is enthusiastic about irrigation and mixed farming—believes Alberta's prosperity hinges on the farm.

The minister has had a busy career in his community as a director of the Southern Alberta Sheep Breeders, vice-president, Alberta School Trustees' Association, a member of Lions' International and an active member of the Lutheran Church.

The new agriculture minister is married with five children.

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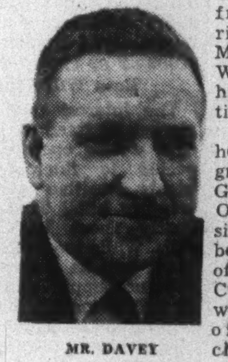
Expects to Grow

The recent appointment of William Forrest Davey as president and general manager of Winnipeg and Central Gas Co. apart from transferring him from Montreal to Winnipeg put him into an entirely new field.



MR. DAVEY

Academically he is an honor graduate of McGill University. Occupationally since 1946 he has been a member of McDonald Currie & Co., a well known firm of Montreal chartered accountants. The firm had a hand in negotiations for the shareholders in the 1952 split-up of the Winnipeg Electric Co. the hydro electric plants of which were taken over by the Province of Manitoba a year and a half ago. At other times its professional services were employed in connection with public utility deals in Quebec and Ontario. The Winnipeg Electric deal however was Davey's first association with the utility business in Western Canada.

In acquisition of the Winnipeg Electric Co. the Manitoba Government limited the deal to the company's power properties. Separate companies were formed for its transit system and gas business. The municipalities took over transit, and the gas utility remained in the hands of former Winnipeg Electric shareholders.

The Winnipeg and Central Gas Co. incorporated in 1953 inherited a utility literally sitting on a pile of coke and operating from cramped office quarters assigned to it in the Electric Railway building. With prospect of natural gas from Alberta by end of 1955 or soon after the company was in a mood for big expansion. Davey took over April 4.

Born in Ottawa in 1919 where his father was vice-president and general manager of a printing business, Davey attended Glebe Collegiate where he was both good student and good athlete, particularly in high school rugby. At 185 lb. he still looks as he might be fleet-footed on the field. In his senior matriculation year he was awarded an Ottawa Valley bursary which he used to continue his studies at McGill.

In the last war he had five years with the armed services. Enlisting in an artillery unit in 1941 he went overseas in 1942. He was mentioned in despatches and awarded the Netherlands Bronze Cross. Back in civilian life in 1946 he took his C. A. degree and joined the McDonald Currie firm.

What Others Are Saying

Editorial of the Week

Are We Getting Soft?

Wingham (Ont.) Advance-Times

In the old days they used to say that hard work never killed anyone. Now they're advising men to start taking things easy at the age of 40, lest they succumb to a coronary thrombosis.

It looks as if either the human race is getting weaker, or people can't stand prosperity.

In the good old days that people like to talk about, working hours were nearly half as long again as they are today. Without the benefit of labor-saving devices, most of the work was heavier, too. In the good old days, everybody worked like a navvy.

Not so today. Automobiles, oil furnaces and power lawn mowers have changed all that, and nowadays a ditch-digger is a mechanical gadget, not a perspiring human.

In spite of it all people continue to drop off at the age of 40 or 50, from heart trouble due, we are told, to "overwork.' And others, who have never done a tap of physical labor in their life, are told to take it easy.

As far as we can see, there's only one answer. Modern man is so unaccustomed to physical labor by the time he's 40, that if and when he does try it, the shock is liable to kill him.

Other People's Views

FRAMERS of Canadian Federation provided certain provincial guarantees, reminds the **Ottawa Citizen,** "but they did not and could not regard the provinces as sovereign states, as the American states were sovereign. They drafted an agreement for the building of a nation, and their successors, in spite of islands of resistance, are striving to continue the building process today."

FOOLISH SUGGESTIONS, says the **Peterborough Examiner,** in commenting on the so-called Eastern Ontario Development Conference and its ideas of a provincial education tax and toll road system. "Let the ... Committee stop thinking up new taxes for all of us and think instead about developing resources and exploiting opportunities in their nown neck of the woods," advises the Examiner.

CANADA'S STAR is definitely in the ascendant, points out the **Saint John Telegraph-Journal.** "Her motives are seldom if ever questioned, her influence receives increasing recognition day by day. From sound beginnings Canada is rapidly evolving her own philosophy of human and international relationships and this will guide our acts in the society of nations. We may not boast of it, but we should be proud of it and, as we gain confidence, we shall like it."

FOR LEGISLATION, the Senate should be an effective brake, not a stone wall, thinks the **Calgary Herald.** Commenting on recent CCF attacks against the Senate, the Herald asserts: "Socialists are congenitally allergic to brakes, having been endowed with infallibility, and that is the simple and irrefutable explanation of why Socialists both in Britain and in Canada turn turkey-red with fury at the thought that anything or anybody would challenge their wisdom."

MORE UP-TO-DATE statistics are wanted by the **Winnipeg Tribune.** "Accurate, up-to-date information about consumer credit, savings, industrial statistics, mortgages and other financial statistics is of first-rate importance to businessmen, industrialists and those who formulate government policy. The Dominion Bureau of Statistics is doing a reasonably good job, but with effort and streamlining the lag between incident and publication can be shortened. This should not involve any significant additional expense to the taxpayers who are paying the shot for DBS. What seems to be required is a greater sense of urgency and a deeper conviction that maximum publicity should be given financial and industrial information."

The Financial Post

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Contributing Editor: B. K. Sandwell.
Ottawa: Michael Barkway, 205 Clemow Ave. 2-6349.
Montreal: Gordon Minnes, Peter Newman, 1242 Peel Street, UNiversity 6-9841.
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For Canadian Railways: $99 Millions Worth of Glamour

In sleepers, a new concept of passenger "luxury" (CNR photo) . . .

And "dome" observation for the scenic transcontinental (CPR)

CPR, CNR 'Luxury' Coaches Designed to Woo Passengers

By PETER C. NEWMAN

Canada's iron-horse-age passenger coaches are being converted into rolling resort hotels — minus the swimming pool—in a major face-lifting that's putting $99 millions worth of glamour onto Canadian tracks.

CNR and CPR are today axle-deep in the biggest passenger equipment buying spree in Canadian railroading history.

First of the 562 new passenger coaches are now beginning to roll into service. By next year, this country's railways will have more modern passenger units operating over longer distances than any other railroads in the world.

They'll have lavish lounge cars that look like giant upended cocktail shakers with glass-dome penthouses. The overnight berth will no longer be an air-tight ledge on which only a contortionist can comfortably change to his nightshirt.

And the new beauty isn't just skin-deep. Mechanically, the cars will be the best on the continent —brakes and springs have been re-designed for a smoother, quieter ride. Even the back-bush branch lines will benefit from the luxury parade, because existing mainline equipment will displace the rattling warhorses.

Canada's passenger fleet of 6,913 coaches last year carried 37,507,892 travelers a total of 2,859,836,219 passenger-miles. In the process, the roads earned $83.1 millions—enough to break even on only a few of their most popular runs.

Wooing the Passenger

The railroads don't expect their brand-new equipment to change passenger-carrying into a money-maker. But the fewer travelers per coach—the higher the loss. To fill the empty seats, they're betting the $99 millions to create the flashy fleet of "travel living" equipment.

The two major railways are using opposite strategies in their mammoth conversions. The government-owned road is putting a modern, functional flotilla on all its tracks—dispersing new equipment throughout its system. C.P.R. is concentrating on the creation of 15 super-trains, exclusively for its trans-continental run.

Here, for the first time, is a complete picture of how the railways are planning to convert those grimy coaches into "moving plateaus of pleasure":

The CPR Plans

Canadian Pacific will form 15 trans-continental trains out of its $40 million, 173-car order with Budd Co., Philadelphia. Deliveries of three cars a week start this month, with the last coach due in spring, 1955.

"There will be little resembling present Canadian passenger equipment in our new units," CPR Vice-President N. R. Crump says. "Canadians should be prepared for an entirely new concept of railway travel."

"And the new trains will present an entirely Canadian aspect which should prove attractive to visitors from the U. S., as well as Canadians themselves," he adds, hinting at CPR expectations of taking a bite out of cross-continent travel south of the border.

Significantly adding to the well-appointed, relaxing atmosphere of the new CPR super-trains will be a hidden-speaker public address system playing soft music, and announcing the details of nature's wonders as they pass by coach windows.

Tail-piece of the trains will be their most spectacular characteristic. Bullet-shaped rear-end cars will have a 24-seat upper level "dome," enclosed in heat resistant, glare-proof glass, which will give passengers full, 360-degree vision of the exciting trans-Canada trip.

"Riding up there will be to experience a new sensation of quiet gliding across the landscape," Benjamin Labaree, Budd Co.'s chief engineer says, predicting: "By day or night, passengers will vie for 'dome' seats."

Forward end of the "dome" car will have three first class double bedrooms and a drawing room, with a passageway leading under the "dome" and past a glass-enclosed 12-passenger beverage room. Each of these lounges will feature an original portrait of a provincial park by a leading Canadian painter. The 18 murals will form a permanent, traveling art exhibit featuring the work of artists chosen by Robert W. Pilot, R.C.A., President of the Royal Canadian Academy of Arts. (Only drawback to the idea seems to be that you'll have to cross the continent 18 times for a complete look at the unique gallery.)

Canoes To Jets

Past the "mural lounge," behind the raised "dome" will be a 13-passenger, streamlined observation section—and up six steps of a gracefully curved staircase, the 24-seat "dome." Coach-class versions will have seats instead of bedrooms and buffets instead of lounges, but will also have the "domes." Interior of this class will be decorated with maps and murals depicting Canada's transportation history — running the artistic gamut from birch-bark canoe to jet plane.

CPR's 71 new sleepers will feature a variety of new devices including "Murphy"-type daytime disappearing beds, separate, enclosed washing and toilet facilities, and individual taps for circulating ice-cold filtered water. In the roomettes, door curtains have been eliminated by a specially-designed folding bed.

The "domes" will give the wonder-trains a plump midriff which just wasn't thought of when the road's 44 tunnels were blasted through the Rockies. For a year now, crews have been widening the pretzel-like mountain passages to make sure the blister-bearing cars will squeeze through.

CPR is also getting 30 Budd day coaches. Main attractions here: four separate washrooms, panel heated wainscots under every window and a warm air curtain in front of each pane to eliminate cold draft.

Hooked behind the diesel engines of the new trans-continentals will be baggage cars unique to Canadian railroading. As well as a space for 35,650 lb. of luggage, they'll house a crew compartment, complete with bunks in triple tiers, a desk, a water cooler, lockers, a hot plate, a toilet and shower facilities.

Car exteriors will be unpainted, gleaming stainless steel. Inside there'll be ultra-modern decorating, with restful colors matched by window drapes, non-glare windows and subdued lighting. Inter-connecting glass doors will feature etchings of typical Canadian birds and flowers.

Outstanding mechanical feature of the coaches will be special "Budd Disc Brakes" and "Budd Rolokrons" to ensure faster, smoother stops. The "Discs," coupled to the inside hub of each wheel, allow emergency decelerations "without wheel damage, without fire hazard, without rapid brake shoe wear, and without passengers even knowing an emergency brake application has been made." The "Rolokrons" are attachments which prevent wheels from sliding on the rails during either deceleration or acceleration.

While Canada's rolling stock manufacturers aren't sharing directly in the CPR order, $7 millions worth of component parts are being produced by 24 Canadian companies. Major home-made items: air conditioning equipment, couplers, draft gear, trucks, journal boxes and bearings, air brake equipment, parcel racks, air filters, and radio and public address systems, batteries, blowers, light fixtures, window sash, lavatories and toilets, seats, hardware, carpeting, and interior decorating.

Because the subcontractors must ship their contributions to Philadelphia for installation at the Budd plant, each of the 65,000 pieces has to be recorded by customs officials here, so that they can rebate the duty once the hardware re-enters its country of origin.

The CNR Plans

Canadian National's modernization is highlighted by a $29 million order for 218 Canadian Car & Foundry Ltd., Montreal, 80-passenger coaches. It's not only the largest production program

(Continued on page 8)

Your Move, George . . .

It's amazing what machines can do:

There's one machine, an electronic brain called George, who can even play checkers. We say "who" because George is *almost* human : : : but not quite: George can't think. All he can do is process information and use his "memory" to solve intricate problems in the bat of an eye.

One day George's scientist companion decided he needed someone to play checkers with, so he taught George to play. But the scientist knew that if he taught George to "think" an infinite number of moves ahead George would always win. So to bolster his ego and maintain "man's superiority over the machine" the scientist taught him to calculate : : : not think, but calculate : : : only five moves ahead. And since theoretically a man can think an infinite number of moves ahead he should always win, whether at checkers or at other things : : : the trouble is he doesn't.

In this business of investing there is no "George" into which you can put a set of facts and get back infallible answers. It doesn't work that way.

Here at Ames we haven't any "Georges" : : : just people. People who don't profess to be able to think an infinite number of moves ahead, but people with the experience and the training to note signs of strength here or weakness there. People who can draw up "personalized" investment programmes. People who can listen sympathetically and help you plan intelligently : : : the kind of people we believe you'll like to do business with.

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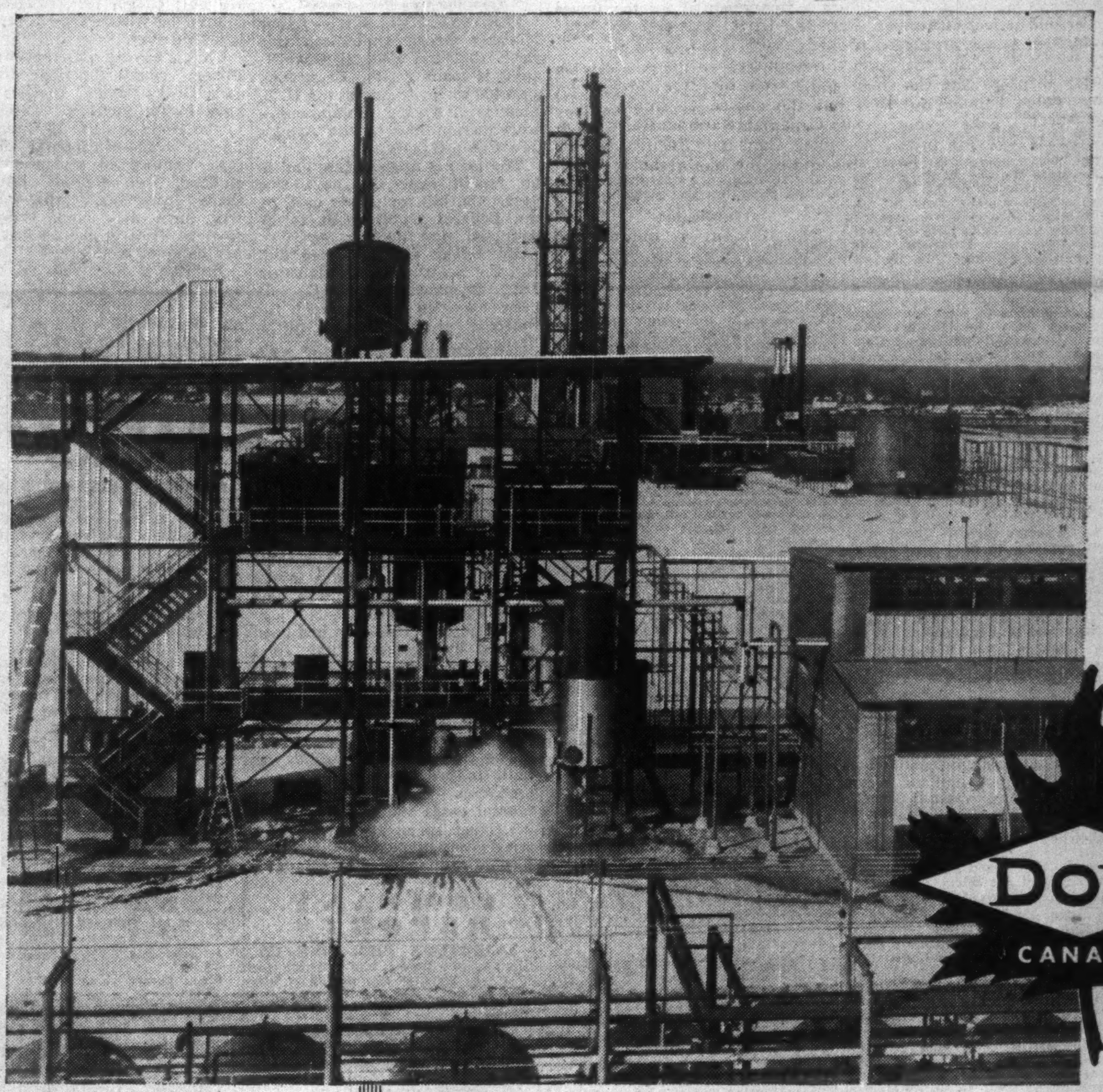

An important new component in the Sarnia Plant of Dow Chemical of Canada, Limited—a latex plant constructed by Bechtel—went into production last December, 6 weeks ahead of schedule.

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COMPANY MEETINGS

ROLLS-ROYCE LIMITED

TURNOVER REACHES NEW HIGH LEVEL

ALL BRANCHES CONTRIBUTE TO RECORD ACHIEVEMENT

DEBENTURE ISSUE TO FINANCE CONTINUANCE OF PROGRESSIVE POLICY

LORD HIVES ON THE STEADILY INCREASING DEMAND

The 47th annual general meeting of Rolls-Royce Limited will be held on July 7 at the Midland Hotel, Derby, England.

The following is the statement by the Chairman, the Rt. Hon. Lord Hives, C.H., M.B.E., LL.D., D.Sc., which has been circulated with the report and accounts for the year ended December 31, 1953: The accounts which accompany my report reflect the increased activity which prevailed throughout 1953 in all branches of our organisation.

It is particularly satisfactory to be able to report that the reductions in government requirements which were announced at the end of 1952 were to some extent offset by increased business for other customers, and the turnover of the group reached a new high level. Greater efficiency and fuller use of manufacturing facilities have also contributed to the substantial increase in trading profits.

It is also satisfactory to record a further increase in our revenue from royalties; almost all of this comes from our foreign licensees.

The charge for taxation which arises from this year of successful commercial trading is indeed a heavy one as a result of our substantial liability for Excess Profits Levy, leaving only a comparatively small increase in the net profit available for appropriation.

The demands which have been made on the Company's financial resources in order to sustain this steadily expanding business are clearly demonstrated by the figures in the Consolidated Balance Sheet. Debtors and Stocks together show an increase of nearly £5 million. Nearly £1½ million has been spent on Fixed Assets during the year, and there were outstanding commitments at the end of the year of more than £1 million. This figure, of course, only refers to firm contracts and does not include the many schemes involving capital expenditure which must of necessity be carried through in the near future.

This substantial expansion of assets has so far been financed by borrowing from our bankers and by way of acceptance credits. I will make further reference to our plans for the future.

Our Capital Reserves have again been increased by sums received from the sale of licences. The tax position in relation to these receipts is the subject of negotiation with the Inland Revenue, but as it may be some time before we know the outcome, it has been deemed prudent to make provision for a possible tax liability.

Having regard to the Company's earning power and to future prospects, the Directors feel able to recommend a modest increase in the distribution by way of dividend.

Future Capital Requirements

The steadily increasing demand for the Company's products both at home and abroad, particularly in the aero engine field, calls for a corresponding increase in working capital. In addition there must be a continuing programme of capital expenditure in order to ensure that the Company's engineering facilities are kept abreast of the latest technical developments. It is clear that our requirement will considerably exceed the amounts which can be found from within the business, even allowing for the substantial relief which we hope to enjoy from the cessation of E.P.L. It is also clear that much of our requirement is of a long-term character.

Under the circumstances, your Directors have decided that further finance should be raised on a more permanent basis, and they are therefore proceeding with plans for the issue of £4 millions of 4 per cent. Debenture Stock, redeemable 1974-84. Further particulars regarding this issue will shortly be released; the arrangements will include preferential treatment for existing Stockholders.

Capitalisation of Reserves

Your Directors have also decided to recommend that the Issued Capital of the Company should be brought more in line with the capital employed, and to achieve this they propose an issue of Bonus Shares in the proportion of one Bonus Share for every £2 of Stock already held, thus raising the Issued Capital of the Company to £6 million. It is considered desirable at the same time to increase the Authorised Capital of the Company to £10 million, although there is no immediate intention of making any further issue.

General Review of 1953

Apart from the experience of the Motor Car Division early in 1953 in relation to Purchase Tax, the year was sufficiently free from any major political uncertainties or further changes in demand to enable us to make steady progress both in relation to production and development.

Our total personnel employed in the United Kingdom rose from 32,000 to 35,000, most of the increase occurring in Scotland.

The new manufacturing facilities in Scotland were almost fully manned by the end of the year, and the occasion was marked by an official visit from Her Majesty's Minister of Supply, the Rt. Hon. Duncan Sandys, P.C. Since the decision was taken in 1951 to expand our production facilities in Scotland, the personnel employed there has risen from 4,000 to 12,000. The recruitment and training of this additional labour reflects great credit on all concerned.

It is well to remember that this additional capacity was brought into being by the government to meet requirements which have since been most drastically reduced. The burden of rental charges which we have to pay for this capacity is a heavy one. At what level it will be possible to maintain employment in the future must depend upon a combination of future government requirements and our ability to produce at competitive prices.

The outstanding commercial achievement of the year has been the substantial increase in business done for customers other than the British government. This business amounted to £21 million, and in exports alone our turnover rose to more than £11 million — nearly double any previous year. In addition, the level of our order book has been well maintained, and there are many promising enquiries.

Our aero engines have continued to occupy a prominent position in both military and civil aviation, both in the fields of pure jet and propeller turbine engines.

In the Motor Car Division we have seen the successful introduction of the automatic gearbox, and in the Oil Engine Division steady progress has been made in developing this engine for a wider variety of uses.

Overseas our Canadian Company has brought into operation its manufacturing facilities and substantial progress has been made in the building of our repair and service depot in Australia.

Aero Engines

The erection of the government-owned factory at East Kilbride was completed during the year, and together with our other facilities should provide sufficient floor space for government requirements as they are at present known. The machine tools and plant are mostly available and are being brought into use as required to meet the programme.

The task of re-deploying our resources following the somewhat drastic revisions of government requirements late in 1952 was carried through smoothly and involved close co-operation with the other companies in the Avon Group—The Bristol Aeroplane Company Limited, D. Napier & Son Limited, and The Standard Motor Company Limited. Our relations with these companies have been most satisfactory, and it is gratifying to us that they have been able to manufacture our engines without serious difficulties.

In addition to the production of many marks of Avon engines, including the RA. 14 with a thrust of 9,500 lb., no fewer than five other types of engine were being made in production quantities.

There is a continuing programme for the last of the piston engines, the Griffon, which powers the Shackleton aircraft. We are in the closing stages of production of the Derwent engine, which was the first jet engine to be put into squadron service. Since then more than 8,500 of these engines have been produced. The Nene engine continues to be required for a variety of naval aircraft and, in quite large numbers, for the Canadian government, while the Dart engine is well known in association with the Vickers Viscount. Although no new Merlin engines are now being built, spares production and overhauls still represent a substantial volume of work.

The task of maintaining such a wide variety of types of engine in service in an even wider variety of aircraft has called for constant review to ensure that our technical resources and field service organisation can function to the best advantage of the operators, whether military or civil.

The Canberra aircraft, fitted with Avon engines, is now well established in squadron service with the Royal Air Force. We are building up a fund of experience on this engine which is of great value to us in our continuing development for both military and civil purposes.

In addition, the Valiant four-engined bomber, the Hunter and Swift fighters, the DH. 110 all-weather fighter, and the Australian-built version of the F.86, are all accumulating many hours' flying with various marks of Avon engines. Both in Sweden and France new aeroplanes are contemplated around this engine.

It is interesting to record that the Avon engine was the power unit in both the British aeroplanes which established world speed records, and in all the aeroplanes which competed in the speed section of the New Zealand Air Race.

The Vickers Viscount, in which our Dart engines are installed, is building up a first-class reputation with the travelling public. These aircraft have now been ordered by twelve different operators, and the world-wide interest which is being shown in this aircraft augure well for further orders for propeller turbine engines.

Both British Overseas Airways Corporation and Trans-Canada Air Lines continue with the maximum operation of their fleets of Merlin-engined aircraft, while increasing use is being made of the Merlin by many charter companies.

Most of our foreign licensees have been very active, and the increasing volume of their production is reflected in the substantial increase in royalties which we have received. We have negotiated new licence agreements with some of our existing licensees to permit the manufacture of current types of engine, and in addition we have entered into an agreement with the Westinghouse Electric Corporation of America. This agreement should lead to a long-term collaboration which will be of mutual benefit. Pratt & Whitney continue to be our licensees in America for our centrifugal-type jet engines which are still being produced in quite large numbers.

We have made steady progress with our many research and development projects. Much of our effort has been directed to the development of re-heat systems as a source of additional power for fighter aircraft. The development of the Conway engine for operation over long distances has gone on steadily, and this engine is scheduled for installation in the four-engined Vickers-Armstrongs aircraft, the V.1000, which is a military transport. All of this work, and the work on new projects which must be tackled to keep pace with changing military requirements, goes on in parallel with the task of improving the performance and mechanical reliability of the existing types of engine on which our fighting services have to depend today. While we accept that our first duty is to provide the best possible equipment for our own defence forces, we are equally conscious of our national responsibility to exploit our technical knowledge and skill to the full extent that it can be made available for civil and foreign military requirements. The substantial export business to which I have already referred results from the energetic pursuit of this policy, and not only does it bring in much needed foreign currency, but it also enables the United Kingdom government to recover at least a contribution towards the substantial development expenditure which it has to invest in defence projects.

We have a large stake in civil aviation both as it exists today and in future projects. We share with everybody the sense of disappointment that the success of the Comet I should have been jeopardised by recent events. We can only look forward to the successful outcome of the present investigation and to seeing both present and future Comets given the opportunity to establish themselves on international routes.

The useful experience which we are accumulating on the operation of propeller turbine engines in air line operation points the way for still further development of this type of engine, and we are already well advanced in being able to offer improved specifications which we believe will be of world-wide interest to aircraft designers.

Motor Cars

The year has seen still further developments in the design and specification of our cars which have helped to consolidate the prestige we enjoy in the motor industry. The most important of these developments is probably the availability of the fully automatic gearbox on all models, both at home and abroad. The boxes are completely manufactured in the Crewe factory under licence from the General Motors Corporation of America. The particular design we have adopted was chosen only after the most careful investigation of all the possibilities. We have had regard not only to efficiency and functional suitability, but also to the large background of experience which had already been established. Our choice has been fully endorsed by the reactions of customers who are almost unanimous in preferring the box to the old manually-operated type.

We are the first, and, at the time of writing this statement, the only British motor manufacturer to be in production with the fully automatic gearbox.

A longer chassis frame has been standardised for the Silver Wraith car, which has both increased the internal capacity and made a still further improvement in the appearance of the coachwork.

During the Earls Court Motor Show the Silver Dawn was made available to the home market. This model had previously been reserved for export. Being considerably lower priced than coach-built cars, and also smaller in size, it is particularly suitable for the owner-driver.

The course taken by the Chancellor of the Exchequer in February this year when he removed the uncertainties about impending changes in Purchase Tax has helped us greatly by stabilising the market. This should not, however, be allowed to obscure the fact that we regard it as a first essential for the future prosperity of the motor car trade that Purchase Tax should be abolished.

The Division continues to develop and produce the "B" range of petrol engines. Many thousands of these are now in the service of the army and elsewhere and are giving excellent service. Amongst the civilian applications for which they are suited are fire engines, of which many so fitted are operating in the United Kingdom and abroad.

Oil Engines

This Division has gained much useful experience from the use of its products under a widely varying range of conditions. It has been possible to explore the requirements of many more potential customers, and there is every indication that with continued technical development, both of the engine and associated equipment, we can look forward to obtaining a satisfactory volume of business.

Overseas Activities

Rolls-Royce of Canada Limited have made good progress in establishing their position as a base for sales promotion and after-sales service of all the Company's products. They have also brought into full use their own manufacturing capacity which was created to support the programme under which Nene engines are being installed in large numbers in Canadian aircraft. The first engines fully representative of Canadian production will shortly be delivered. Rolls-Royce of Canada Limited expended £330,000 on fixed assets during the year, completing the building and equipping of the Canadian factory. The total capital cost of this establishment has so far amounted to £993,000.

Our engineering and servicing facilities will be fully occupied when Viscount aircraft are introduced into service by Trans-Canada Air Lines during 1954.

Rolls-Royce of Australia Pty. Limited have not yet commenced trading. Key personnel have been engaged and much useful work has been done by way of preliminary organisation concurrently with the erection of buildings. This project should be well advanced in time to meet the requirements of air line operators who are due to commence operations with Viscount aircraft in Australia in 1954.

We have established a permanent technical office in South Africa, and we hope to extend the sales of all our products in that country. A good start has been made by reason of the sale of Shackleton aircraft to the South African Air Force.

It is interesting to record that our products are in use in 39 countries. This situation has only been achieved by most energetic attention to the requirements of both customers and prospective customers—a task which involves much travelling by directors and senior officials of the Company. During 1953 some eighty visits were paid to thirty-four different countries in fulfilment of this policy.

Associated Companies

Rotol Limited and their subsidiary company, British Messier Limited, have shared in the increased activity resulting from the defence programme. Increased production facilities have been brought into use, and many new items of equipment are now being produced. A conservative financial policy in the past, backed by temporary borrowing, has so far provided adequate resources for their activities.

Renfrew Foundries Limited have continued to supply a substantial part of light alloy castings which are absorbed by the Company, particularly in connection with the expansion of production in Scotland. The volume of commercial business on offer has, of course, been influenced by the high price of aluminium, and there continues to be keen competition for available work by reason of the substantial foundry capacity which exists throughout the country.

Conclusion

It is just fifty years ago since the first meeting between the Hon. C. S. Rolls and Henry Royce which led to the formation of our Company. Our history has been one of unbroken progress in technical achievement. Those of us who were privileged to know and work with these men would want to acknowledge how much of the Company's success can be attributed to continuing to practise to the best of our ability the principles which we learned from them.

I have been fortunate in being able to present in this report a picture of continuing expansion, particularly in connection with our aero engine business. We believe that we can foresee for some years ahead a steadily increasing demand for the Company's products. Inevitably the volume of our military business must always be subject to the uncertainties of world politics, and more and more influenced by the economics of defence. Whatever the size of the potential market, our task must be to continue to deserve our share of it, and in doing this task we must depend upon the continued loyalty and enthusiasm of those who serve in all departments of our business.

For the achievements which have been recorded this year, I know that the Stockholders would wish me to express their thanks to all concerned.

$99 Millions Worth of Rail Glamour

(Continued from page 7)

ever undertaken by a Canadian rolling stock manufacturer, but also the largest passenger car order ever awarded in Canada and represents the greatest capital investment in this type of equipment in Canadian railroad history.

With reclining, rotating, foam rubber foot-rest-equipped seats fitted with recessed ash-trays, the car features electro-mechanical air conditioning, shadowless overhead lighting, thermostatically controlled heating and harmonizing linoleum floors and "melotone" plastics which completely eliminate the use of paint.

Cancar has geared its production facilities to the highest rate of output in its history and through standardized mass production techniques is now turning out two coaches a day.

Balance of the CNR passenger order is being supplied by Pullman-Standard Car Manufacturing Co., Chicago. The 141 cars are divided into 13 types, including various sleeper combinations, parlor cars, buffet-parlors, dinette wagons, dining cars and buffet lounges.

Interior appearance of the units has been brightened by the elimination of the standard long line of identical accommodation, with the breaking up of roomette, bedroom and drawing room clusters. Bedrooms have sliding doors to provide "family" suites. Each room has a washstand convertible into a dressing table with triple illuminating mirror. Private toilets are enclosed in an individual annex; lower and upper beds disappear in the daytime to make room for folding arm chairs. There are double-glazed, fog-proof windows and chromium fittings. Décor is an exotic mixture of sea-green, light sea-sand and tile brown.

CNR has ordered 30 baggage cars from National Steel Car Corp., Hamilton. The railroad will also operate two special coaches available for charter as traveling business conference rooms. Part of CNR's modernization scheme is the redecoration of all passenger equipment with a black-gold-green look so that the new coaches will fit in with existing cars without disturbing train appearance.

Both railways have been experimenting with Budd self-propelled rail diesel cars. Used on short-haul, high-traffic secondary runs, the low operating cost, hydraulic transmission coaches carry their own heat, light, air conditioning, motive power—haul passengers, baggage and mail.

But the biggest revolution of the current rail conversion is taking place in the dining car. This service, which according to Donald Gordon is "inherently unprofitable because of limited capacity and high overhead," is being completely revamped. Frills are out; cheap, fast, drug-store-counter-on-wheels type of feeding is taking over.

CNR is buying six experimental 26-seat counter-service dinette cars; CPR's "dome" coaches will have buffet sections. (Exception to the trend are the 18 Canadian Pacific trans-continental dining cars. Seating 48 under a star-studded, eye-catching interior, these luxurious eating-wagons will have air-cooled, stainless-steel pantries and a 16-seat corner banquet section.)

Because a diner requires twice as large a crew as a restaurant to serve the same number of people, and because personnel have to be paid railway, not restaurant-level wages, the fewer passengers patronizing today's diners, the lower the company's losses.

To beat this trend, the railroads are trying every trick they know to cut costs. Smaller plates to make steaks look bigger, worn-out table cloths cut into napkins, abolition of finger bowls, service without table linen, more use of frozen foods, plastic tablewear, and vending machines are reported to be a few of the recent dollar-saving experiments.

A CNR survey recently showed that 49% of railroad travelers eat out of paper-bags at their seats; 72% of the dining car patrons polled preferred simpler service to higher prices. The company's average 1953 per-meal revenue was $1.68—that meant a 60c loss on every breakfast, lunch and dinner — or $1,028,000 for the year.

Passenger operations have become a perpetual headache of Canadian railroaders. While Canadians aren't boycoting the rails, trains certainly haven't been keeping their share of Canada's travel dollar.

"The travel business is conducted in a chronic buyers' market. We can be successful only to the extent that we succeed in providing the traveling public with the service they want at a price they are prepared to pay," Donald Gordon admits.

Canadian National's 1953 figures show that the income from passenger operations accounted for 6.6c of the revenue dollar (freight cars brought in 79.5c). Passenger cars traveled only an average of 183 miles a day with just 13 occupied seats per coach per mile.

Buses first dinted the railroads' inter-city transportation monopoly during the depression, when their price-cutting had great appeal. The biggest blow to the rails' passenger-mile figures has been Canada's ever-increasing automobile ownership. Also, the postwar rise in personal income meant that Canadians upgraded their public transportation from bus to rail and from rail to air.

TCA which in 1946 carried 305,442 passengers, last year flew 1,307,810—many of them former train riders. And this year's introduction of low-priced tourist flights is likely to further eat into the railroad's coach business, as well as continuing to draw away the "Pullman" crowd. The railways, realizing that they can't overcome the speed factor, are using the strategy of providing extra-luxurious equipment reasonably priced, to lure back their wayward clientele.

But the railways realize that the new seats, no matter how soft and inviting, won't fill themselves. To insure maximum use of their upcoming cars, they're planning a series fare and timetable changes designed to multiply the attractiveness of train travel.

"At least, that's our hope," says J. V. Vincent, CNR's Manager of Passenger Services. "In the past we've been handicapped by the lack of top-line equipment, but now we'll really have something to sell."

Family fares, with husband and wife paying only three fares on a joint round trip, and mid-week reductions on specific routes have already been introduced to help swell the railroad station crowds. CNR has also established a Department of Tours, which sells over 100 "package" excursions on a group or individual basis.

Another promising future attraction is the cocktail bar coach. The railways recently submitted applications for liquor licences to the provinces which unlike Nova Scotia and British Columbia, don't already permit official train drinking.

As well as providing impetus to the railroads' drive for more passengers, current orders will help cure an unhealthy backlog situation. With no new equipment purchases in the depression and none during the war, a serious shortage of passenger coaches resulted in 1945. But because of the booming demand for freight cars, and the railways' more urgent dieselization programs, as well as some steel-short periods, passenger equipment expansion was kept strictly in the planning offices.

CNR bought only 263 passenger units in the 14 years since the outbreak of World War II; CPR just added 162. Both companies, did carry out a continuing refit of the best of their available cars in their own shops. But this, according to Donald Gordon, "only produced a trickle where we needed a flood."

The ultimate in railway travel comfort?

Probably the already operating Acheson, Topeka & Santa Fe "Super Chief," which has private dining rooms, individual radio reception in each plush bedroom and serves travelers breakfast in bed. Latest stock market quotes are posted in every coach.

Passengers boarding this palace on rails get a travel kit with cleaning tissues, manicure tools, a pink or blue washcloth, and individual score cards for gin rummy and canasta.

What the $99 Millions Is Buying

CANADIAN PACIFIC RAILWAYS

Types of Accommodation	No. of Cars
Baggage-Dormitory for 15-man crew, 2 stewards, 35,650 lbs. baggage	18
60-passenger coaches	30
Dome-Coach-Lounge for 73 passengers including "dome and buffet"	18
Dining car, seating 48	18
8 open sections, 3 double bedrooms, 1 drawing room, 8 duplex roomettes	29
8 open sections, 1 compartment, 5 double bedrooms, 4 roomettes	42
Dome-Sleeper-Observation Lounge for 58 passengers in 3 double bedrooms, 1 drawing room, and a beverage room, "dome" and observation lounge	18
TOTAL	173

CANADIAN NATIONAL RAILWAYS

Types of Accommodation	No. of Cars
4-bedroom, 4-section, 8-duplex roomette	52
6-roomette, 4-bedroom, 6-section	20
Parlor car, seating 34	6
5-bedroom, 10-roomettes	6
5-compartment, 3-drawing room	6
3-section, 1-bedroom, dining room, kitchen, pantry	4
2-compartment, 2-bedroom, buffet, lounge	8
Buffet, parlor, dining section	9
Dinette car, seating 26	6
Parlor, buffet, dining section	2
Dining car, seating 40	14
10-section, 1-bedroom, buffet	6
7-compartment, kitchen, buffet-lounge	2
80-passenger coaches	218
Baggage cars	30
TOTAL	389

Ottawa Financing N.B. Power Line To Gagetown

From Our Own Correspondent

FREDERICTON, N.B. — Labor Minister Gregg announced this week that the Federal Government is loaning New Brunswick $200,000 to cover cost of the N. B. Electric Power Commission's transmission line to the Army's new Camp Gagetown.

The loan is interest free and to be repaid over the next five years; the bill for power used by the Federal Government to be deducted from the loan.

Mr. Gregg also disclosed that M. F. Schurman Construction Ltd., Summerside, P.E.I., has been awarded the contract for construction of an addition to the Fredericton post office. The contract price is in the vicinity of $500,000 and work is expected to start within the next two weeks.

Add $800,000 Wing To N.B. Hospital

From Our Own Correspondent

CAMPBELLTON, N.B.—Tenders will be called in August for the second phase of a mental hospital intended to be a model of its kind in Canada. The new wing will cost $800,000.

The hospital itself has just been opened by Premier Hugh John Flemming, and is only one fifth the size of the institution planned for the future. It is so constructed that it can be added to "wing by wing."

The Campbellton hospital was built to provide greater accommodation for the province's mental cases and to help relieve restricted space at New Brunswick's only other mental hospital, located in the city of Lancaster.

COMPANY REPORTS

SASKATOON PIPE LINE CO., Regina, net profit and surplus for 1953 was $90,418. Net deficit in the two months operated in 1952 was $62,004.

Company reports that operations in 1953 reached expectations, and equally satisfactory results are anticipated for 1954.

INCOME ACCOUNT

Years Ended Dec. 31:	1953	†1952
Transport. rev.	$335,603	$44,971
Less: Oper. exp.	57,724	13,774
Net operat. rev.	277,879	31,197
Less: Deprec.	111,013	82,784
Bond int.	60,521	10,417
Income taxes	15,927	......
Net profit and surplus	90,418	*62,004

*Loss or deficit.
†Operations for 2 months only.

Times Interest Earned:		
Before deprec.	4.59	2.99
After deprec.	2.76	......
Earnings per Share	$0.90	d$0.62

No dividends have been paid.

BALANCE SHEET

As at Dec. 31:	1953	1952
Cash & Dom. bonds	$140,992	$15,037
Accts., etc., rec.	15,867	154,771
Oil inventory	18,583	......
Total curr. assets	175,442	169,808
Misc. assets	86,062	59,067
Fixed assets*	1,365,624	1,408,197
Total assets	1,627,128	1,637,072
Total curr. liabs.	50,714	99,075
Funded debt	1,198,000	1,250,000
Capital stock	350,000	350,000
Earned surplus	28,414	†62,003
*After deprec. of	193,797	82,784
†Deficit.		
Working capital	124,728	70,733

COMPANY REPORTS

Lumber

BEAVER LUMBER CO., Winnipeg, consolidated net profit for year ended April 30, 1953, was $2,068,885, 24% higher than consolidated net of $1,668,970 for previous year.

Volume of business and profits realized set a record, reports President R. J. Gourley. Ratio of total expense to sales has increased slightly, and is causing concern.

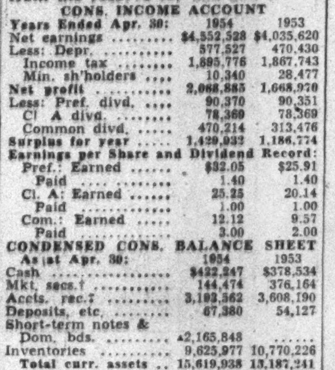
Accounts receivable are down $536,000 for the year. This reduction, in view of increased sales, is considered satisfactory, and the accounts in the main are believed to be collectable. As a result of lower outstandings, $154,000 has been transferred to the earned surplus account from the reserve for bad debts.

CONS. INCOME ACCOUNT

Years Ended Apr. 30:	1954	1953
Net earnings	$4,552,528	$4,035,620
Less: Depr.	577,527	470,430
Income tax	1,895,776	1,867,743
Min. sh'holders	10,340	28,477
Net profit	2,068,885	1,668,970
Less: Pref. divd.	90,370	90,351
Cl A divd.	78,369	78,369
Common divd.	470,214	313,476
Surplus for year	1,429,932	1,186,774
Earnings per Share and Dividend Record:		
Pref.: Earned	$32.05	$25.91
Paid	1.40	1.40
Cl. A: Earned	25.25	20.14
Paid	1.00	1.00
Com.: Earned	12.12	9.57
Paid	3.00	2.00

CONDENSED CONS. BALANCE SHEET

As at Apr. 30:	1954	1953
Cash	$422,247	$378,534
Mkt. secs.†	144,474	376,164
Accts. rec.‡	3,193,562	3,608,190
Deposits, etc.	67,380	54,127
Short-term notes & Dom. bds.	▲2,165,848	......
Inventories	9,625,977	10,770,226
Total curr. assets	15,619,938	15,187,241
Fixed assets*	4,123,959	3,712,352
Total assets	19,743,897	18,899,593
Bank loan	......	750,000
Accts., etc., pay.	1,350,879	1,516,366
Total curr. liabs.	1,350,879	2,266,366
Reserves	2,105,000	2,305,000
Min. equity	206,569	184,252
Capital stock	2,897,750	2,895,250
Earned surplus	13,183,699	11,248,725
▲Par value	2,000,000	......
†Mkt. value	160,000	410,000
*After depr. of	4,252,613	3,811,007
‡After res. of	568,439	689,769
Working capital	14,269,059	12,920,875



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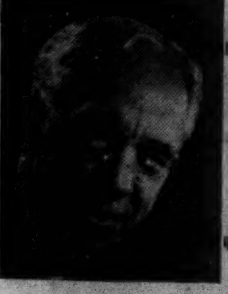

Sandwell Here

By B. K. SANDWELL

SIR WINSTON CHURCHILL does not actually complete his eightieth year until November 30, but that has not prevented a spate of slightly anticipatory tributes, probably evoked by the feeling that he may not be in office when that date arrives. In the special Churchill issue of the Illustrated London News there is an article by Sir Charles Petrie, Bt., one of the ablest living experts on political history, containing an unusually frank discussion of the relations between Churchill and Roosevelt in 1944-5.

At that time it was an open choice whether the determinant power of the United States should be used to bring about an end-of-war situation which would tend to aggrandize Great Britain or one which would tend to aggrandize Russia. Sir Charles says: "Where Roosevelt proved the greatest liability was where Russia was concerned. In the first place . . . he convinced himself that Stalin intended to liberalize his regime; and in the second he attempted, particularly at Teheran and Yalta, to play off Russia against Great Britain, for he had a deeply rooted suspicion of what he considered to be British imperialism." The result was that "today the Iron Curtain is several hundred miles further west than need have been the case."

When Sir Charles adds that in this view of the world situation Roosevelt 'had very considerable backing" in the United States he is putting it mildly. The truth is that Roosevelt could hardly have been more pro-British (and therefore less pro-Russian) than he was and still have hoped to carry American opinion with him. If Senator McCarthy had been active in international affairs at that time he would have been just as anti-British, and therefore in that situation as pro-Russian as the President, though that would not have prevented him from making the President's task as hard as possible.

It is difficult, without an effort of reconstruction, to call back to mind after 10 years what was then the attitude of the American people toward Russia, so utterly has it changed in the interval. But let us remember what has happened to change it. Roosevelt with his sources of information should perhaps have known better than to trust Stalin's liberalization program, but the American people were largely convinced of it, and with liberalization they saw Russia joining the company of truly democratic and peaceful powers.

That estimate has been completely knocked on the head. They were completely unafraid of Russia, a country which they regarded as a vast mass of manpower, doubtless somewhat disturbing to its immediate neighbors, but quite incapable of waging effective modern warfare against a nation in the Western Hemisphere, and especially of achieving an atomic or hydrogen bomb. They had had no revelations of Russia's spying and infiltration, no indication that after the end of the war Russia would continue to maintain a huge and wholly unnecessary military establishment, no news of Russian concentration camps, no news of purges since the prewar ones, which could be explained as due to pro-German treason on the part of the purged. Above all, there had been no Communization of China, and the Chinese Communist forces were fighting the Japanese just as energetically, and more successfully, than the Kuomintang forces were.

Can Beat Supreme Court Decision

IN CINCINNATI a few months ago I attended a performance of the full operatic version of "Porgy" in the leading theatre of the city. The audience was as well behaved and as brilliantly dressed as any I have seen since evening dress ceased to be vogue for anything but opera. Two thirds of the audience was Negro. A few days earlier I had been in Memphis at a cinema where Negroes were permitted only in a special gallery which I myself should not have been allowed to enter.

The Memphis Negroes were, I admit, a very different kind of Negro from those in Cincinnati. But a good deal of the difference was accounted for by the fact that the former had always been kept out of the better parts of the theatres, the better schools, the better jobs, and generally any share of whatever there is in life that makes for advancement and self-betterment. Tennessee is one of the 17 States which have hitherto required Negroes to attend exclusively Negro schools, whose operating cost per pupil is usually from 35% to 80% of that of the white schools.

A good deal of the difference in expenditure is the result not merely of the color bar but also of the relative poverty of the school districts occupied chiefly by Negroes. This is a disparity which exists between richer and poorer areas in all school systems, even in Canada, and can never be overcome by anything short of laying the whole burden of school taxation on the state or province as a whole.

It can be greatly mitigated by the device of generous scholarship provisions for taking bright students out of poorer districts, and by amalgamating districts so as to bring poorer and richer ones into the same unit of taxation.

The Supreme Court decision about non-segregation will certainly increase the pressure in many Southern States to "hive" Negroes into areas which will then be created into school districts and left to get along on the proceeds of their own inadequate taxing powers. Even this, however, is vastly better than segregation by law, and the more successful Negroes will increasingly be able to establish themselves in areas where even this remnant of segregation will not be possible.

McCarthyism—17th Century Version

BROWSING through that fascinating work, Bishop Burnet's "History of His Own Times," I have just come across a case of "guilt by association" in the time of Charles II which affords a useful precedent to the McCarthyites.

One of the conflicts between the Royalists and the Covenanters in 1679 was at Bothwell Bridge, and some time after that affair one Weir of Blakewood was accused of treason for keeping company with a person who had been with the Covenanters. "The court fell into a very severe sentence by this odd way of reasoning: they judged that all men who suspected any to have been in the rebellion were bound to discover such their suspicion, and to give no harbor to such persons; that the bare suspicion made it treason to harbor a person suspected, whether he were guilty or not; that if any person was under such suspicion, it was to be presumed that all the neighborhood knew it; and it being proved that the person with whom Weir conversed lay under that suspicion, Weir was thereupon condemned as guilty of high treason."

Burnet comments that the result of this doctrine was that most of the Scottish gentry were as liable to this charge as Weir was, "and none could have the comfort to know when he was safe."

There are not a few points of correspondence between the times depicted by Burnet and our own. Barring such characteristics of the 17th century as a readiness to resort to torture and to the death penalty (with confiscation of property), there are the same ruthlessness and the same exaggerated demands in the name of loyalty.

We Nearly Lost These Blueberries

MOST OF THE CASES which come up for a top-level decision in either unemployment insurance or industrial relations are sadly devoid of any element of human interest, and arise merely out of somebody's covetous desire to get the better of somebody else on a technical point. So it is nice to come across a case which is just full of human decency on all sides. Perhaps it is unnecessary to add that it occurred in rural Quebec.

The claimant made application for unemployment insurance benefit on March 10. He was notified of an offer of employment in another village at $150 a month on July 4. He replied that he was unable to accept it, because he was peddling blueberries and would be doing so until the blueberry season ended at the end of August. He further stated that he had been selling fish one or two days a week from the time when his application went in, and that when the blueberry season ended he would be selling apples in the same way. He had always notified the insurance authorities of the days he had thus worked on his own account. The insurance officer, and the referees, disqualified him for the whole period.

The umpire overruled this decision and held that "on the days when he was not carrying on his business" he was fulfilling the requirements of the Act up to the time of his refusal of employment. This seems to me a nice human arrangement all round. The claimant was doing his best to be useful even when unemployed. But in doing so he evidently entered into commitments which most men would have repudiated when offered a job; he felt that he owed it to his blueberry source and to those who depended on him for distribution to continue in that activity until the end of the season. He was perfectly frank about it all. And the umpire, recognizing his good faith, and refusing to be too confoundedly technical, gave him his insurance for as long as he could.

If the man hadn't gone into the blueberry business, of course, he could have drawn his insurance until the cows came home and nobody would have said a word. And probably a lot of blueberries would have been wasted.

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'Peg Telephones Crowding System

From Our Own Correspondent

WINNIPEG—One year hence the Manitoba Telephone System will have so many subscribers it will be forced to adopt the letter-figure system for its numbers, designated as the 2-5 system, two letters followed by five digits.

The new number system will go into effect July 1, 1955, on at least one of the main Winnipeg exchanges.

At May 31 the system had 189,754 installed phones in the province. In Greater Winnipeg there were 129,842 of which 42,200 were business phones, the balance residential.

Since 1949 the dials of new phones installed have had both letters and numbers but only the numbers have been used.

GEORGE MANSFIELD

appointed manager Periodical Press Association (Toronto); was formerly secretary.

Danish Diesel Mfr. Sees Seaway Sales

Will the Seaway make for an increase in shipping between lake ports as well as between overseas and lake ports?

A Danish manufacturer of diesel engines is inclined to believe that an increase in lake shipping, apart from ocean-going vessels, will take place.

Burmeister & Wain American Corp., New York subsidiary of Burmeister & Wain, of Copenhagen, showing engines at the Canadian International Trade Fair, expects a growing market on the lakes. It already has orders for engines for two lake ships for a paper company, being built in Britain, and has supplied engines for two ships that company is now operating on the lakes.

Harbor development that will follow the seaway may make for transshipment by lake boat of cargoes that come from overseas through the Seaway, says President Pohl Christensen of the New York subsidiary. This view is in admitted conflict with that of some who see low-cost trucking and rail service direct to plants and warehouses from the port of arrival from overseas. Christensen's opinion is based on Danish experience.

The Danish company is the largest single industry in that country. The company claims to have built the world's first ocean-going motor ship in 1912. At the Trade Fair, it has been showing a new diesel engine which is said to give a large increase in horsepower.

It will supply a special fishing-vessel engine also on display, to a ship being built for the Quebec Department of Fisheries.

An unusual policy is microfilming of all the firm's technical drawings for storage in safety vaults "somewhere in the United States." If a world emergency arises service engineers in the U. S. could build parts or entire engines from the drawings.

WHILE THEY LAST

Ingenious in ISTANBUL

but in French Canada it takes CKAC to sell

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'Peg Fire Loss $3 Millions, 75% Insured

From Our Own Correspondent

WINNIPEG — Losses in the June 8 fire in Winnipeg's downtown business section are estimated by adjusters at about $3 millions, of which $2,250,000 is covered by insurance. About 100 companies carried the policies.

Local adjusters assisted by an eastern staff of seven from the Underwriters Adjustment Bureau have made an interim report in the losses sustained on the most seriously damaged properties. George Pelton, one of the representatives of the Adjustment Bureau, said the preliminary figures had been hurriedly prepared and probably would be changed when complete investigation disclosed the actual losses.

The buildings destroyed were the Time building, a 2-story building adjacent to it on the west side, the Dismorr block and the Edward block on its east. In addition the two top stories of the Norlyn building on the north were completely burned out and the two bottom floors were badly damaged. The Affleck block adjoining the Edward block on the east was also badly damaged.

70-Mile Gale

The fire started in the 7-story Time building, valued at $700,000 of which only $350,000 was covered by insurance. It may have started in wiring leading to an outside electrically lighted sign although this has not been finally determined. The electrical connections could have been affected by the gale which raged during the time of the fire at times up to 70 miles an hour. In a windstorm four years ago a fire developed behind the sign but it was quickly extinguished.

The Time building was an old structure and at one time largely occupied by small manufacturers of furs and garments. In recent years it was converted to modern offices and a number of false ceilings and interior partitions were installed for the conversion.

A special loss committee of Winnipeg representatives of insurance companies and Mr. Pelton has been set up to speed determination of the losses. The adjustments are well under way and companies will be receiving preliminary estimates of their liability on policies carried within the next few days.

Great-West Life Sales 18.2% Higher In May

New business placed by Great-West Life Assurance in May was $31,336,000. This was an increase of $4,816,000 or 18.2% over the corresponding month last year. Total business in force passed the $2.5 billion mark during May.

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QUEBEC HALIFAX SAINT JOHN NEW YORK LONDON, ENG.

Man. Sugar Beet Plantings Down

From Our Own Correspondent

WINNIPEG—Sugar beet plantings in Manitoba this year will not be much in excess of 17,000 acres.

Contracts had been made for sowing 26,800 acres but wet weather prevented growers from putting in the crop. Expectations of an early spring gave way to one of the latest on record, except for 1950 when seeding wasn't general until May 29. A break in the weather April 18 checked work on the land for nearly four weeks.

Other than being late, conditions for the beet crop which was sown have been favorable.

Dutch Insurance Firm Will Operate Here

Holland Life Insurance Society Ltd. (Hollandsche Societeit van Levensverzekeringen N.V.), of Amsterdam, has been issued certificate of registry by the Department of Insurance, Ottawa, authorizing it to transact life insurance business in Canada. Chief agent in Canada is J. C. Tupker, Ottawa.

Certificate of registry has also been given to Copenhagen Reinsurance Co., Denmark, to transact a reinsurance business in Canada, in the fields of fire and casualty insurance. Chief agent in Canada is Ralph B. Payne, Toronto.

INTERNATIONAL UTILITIES CORP. during May purchased 100 shares of $1.40 cumulative convertible preferred stock, reducing outstanding shares to 244,880. At May 31 there were 964,660 common shares outstanding.

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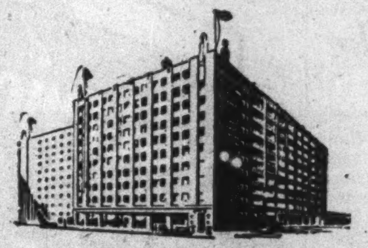

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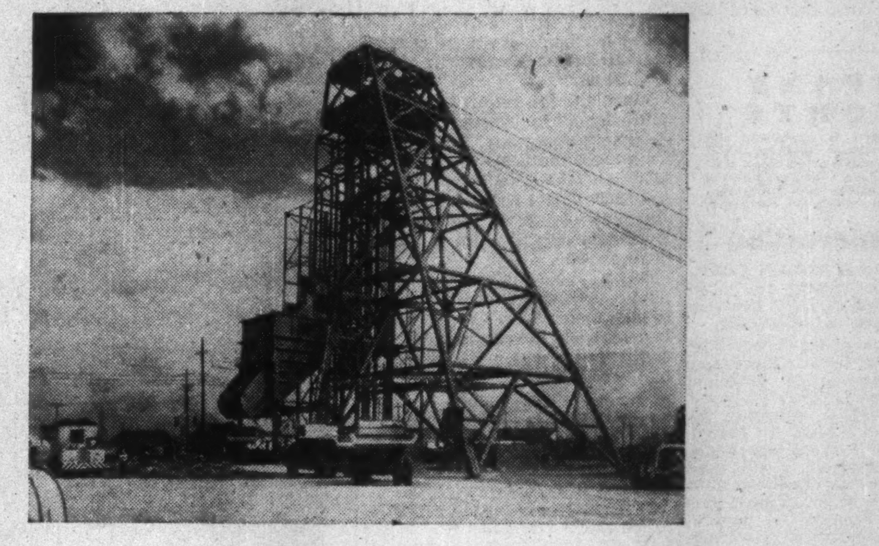

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LABOR ROUNDUP

Office Boy, Meet The Boss

Employees Respect Top Man More If They Know Him

In big business, the boss himself has a very personal role.

Knowing the top man behind the large desk is a big boost for employee job morale. And it goes further. Employees acquainted with the boss have greater respect for him than those who don't know him.

So runs a survey referred to by Edward J. Condon, a Sears, Roebuck, Chicago vice-president. He was speaking to the American Management Association. This is how the attitudes about the big boss vary just because one group knows him and the other doesn't:

Employees very well acquainted with the boss %		Employees Unacquainted with the boss %
89	The boss lives up to his promises	50
70	Is more interested in company than in himself	44
80	Does a good job of running the company	44
83	Is interested in what happens to employees	41
89	Tries to pay higher wages as the company prospers	27
71	Works hard on the job	26
79	The kind one would pick for a friend	18

Condon warns against too much reliance on the written word, like bulletins, magazines and booklets. The personal contact is what counts.

A company publication has great potential for improving relationships. But be careful. "Properly administered, like nitro-glycerine, it can stimulate a halting heart beat," he says, but "an overdose can literally blow up."

Another executive told the AMA of his company's experience. After some rough treatment from employees, the management of Gardner Board and Carton Co. asked itself what was wrong. There were high wages, security, fair policies and a strong management sense of responsibility.

"But," explains vice-president Colin Gardner, "our people did not know or believe this, for we had never bothered to tell them. And the union had been pretty busy building a contrary impression."

Management fell right into another hole. It always took a negative or defensive position at the bargaining table, in line with the bargaining compromise theory. But this always left it in the position of having opposed any gains accomplished.

"The people were given the impression that had it not been solely for the union, these ends would not have been achieved. This was often a very wrong impression."

One of the things the company did to improve relations, was to give foremen more responsibility and let them in on business problems. On one occasion when union demands were excessive, management explained its position and gave the foremen copies of the letter to explain to workers.

Union leaders were irritated by the move but didn't stay that way because "unions are basically political in nature and their leaders cannot long afford to fight with management when that is not the popular thing to do."

A smile as big as a rainbow won't cure all management-employee problems. But much of the troubles may resolve themselves on the base of understanding and a sense of fair play. And in attaining this, the transmission of attitudes up and down from top to bottom, from bottom to top has a very important job.

"I never knew a man I didn't like," said Will Rogers.

So one of the places to start seems to be for the boss to let the messenger boy have a chance to get to know him.

• • •

'Young Turks' At Oshawa

The rift in the UAW local at the General Motors Oshawa plant is now wide open. And the "young Turks" have taken over. For GM it's likely to mean more difficult negotiations. For the UAW it's evidence of open dissension.

There's been a split at Oshawa for some time. The "old guard," some of whom formed the union there in 1937, have traditionally controlled the local and have refused to make room for the younger group. In the recent election, the "young Turks" won by a substantial majority and elected Russ McNeill, who switched his allegiance from the older group to the younger.

But a few of the people behind McNeill may not have the same steadfast loyalty to the UAW. Some members of the younger group have been flirting with the Reds.

Big point of issue at GM is the master agreement by which all GM plants in Canada would be incorporated into one agreement. This is in line with UAW policy and was endorsed by the former Oshawa executive. But the "young Turks" have twice successfully persuaded the rank and file membership to defeat its ratification. There's also the feeling that Oshawa workers can get along better without help from the UAW parent and free of entanglements with workers in other GM plants.

How will the "young Turks" behave now that they are in office? Will they move still further in opposition to the UAW parent? And how will they deal with the company? The current Oshawa agreement expires in mid-June, 1955. Talks open next April.

Look for a whole series of seemingly unconnected episodes at Oshawa. It will be the flexing of muscles by the "young Turks." And there may be a struggle for power within the group itself. It won't make GM's negotiating position any easier. It's not likely to make the UAW parent any happier. But it should please immensely the enemies of the UAW, particularly the Communists who for a long time have had designs on the autoworkers and who see themselves aided by any dissension such as this.

• • •

Labor Briefs

Last year's industrial fatalities in Canada fell to 1,345 from 1,449 in 1952, the Labor Department reports. Causes of death: 386 struck by tools, machinery, moving vehicles, other objects including 63 from falling trees and limbs; 50 by automobiles or trucks; 29 from landslides and cave-ins.

Manufacturing industry led all groups with 18.1% of the total deaths; construction 16.9%; mining 14.0%.

• • •

Employment is rising on the Prairies. Today, 42,000 men and women are registered with the Unemployment Insurance Commission as seeking work. Six weeks ago, there were 76,000. With better weather and increased farm demand, gains should continue, says J. W. Temple, regional superintendent, Unemployment Insurance Commission, Winnipeg. Some points may even have labor shortages by mid-July. Next fall should be similar to the 1953 period, says Temple.

'Peg 'Home Contractors' Take Spring Clean Up Literally

From Our Own Correspondent

WINNIPEG—Exposure of their methods of operation largely through efforts of the Winnipeg Better Business Bureau, has curbed activities of a group of transients who recently invaded the city and called themselves "home contractors."

Two or three outfits from the West, one of which claimed to be operating from Edmonton and the other from Vancouver, seemed well on their way to a clean-up until customers learned they had undertaken to pay prices far in excess of amounts for which the work could be done.

The Winnipeg Better Business Bureau with help of similar organizations in Seattle and Los Angeles learned that most of these so-called contractors had filtered in from the United States via Vancouver and then made their way east. In some cases the Bureau was informed that their operations in American cities had been stopped.

Some of them came to Winnipeg last fall and their activities became known to the Business Bureau and local contractors. More arrived this spring. Their methods have been to employ smooth salesmen to scout for possible home repair jobs and then approach the home owner, quote a price for the work required and then quote slightly lower prices until the householder accepted.

Financing Arranged

Usually their lowest price was higher than that for which local contractors could do the job and always the offer allowed the privilege of monthly payments for the amount of the contract price quoted plus finance charges. Once the deal was made the home owner was asked to sign a note which was turned over to a finance company.

One case placed in hands of a lawyer illustrates how they worked. The outfit involved made an agreement with a woman to repair her home at a price of $897 plus financing charges of $132, total $1,097.

When the job required only 30 hours labor the woman told the story to her lawyer. He got bids from three contractors, one below $450, the other two between $450 and $500. There was no complaint about quality of the materials or workmanship. She got a settlement at $500.

When their methods became public, finance companies refused to take their paper. One company turned back $20,000 in notes on contracts for which deals already had been made.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

Transportation

WHITE PASS & YUKON CORP., Vancouver, consolidated net profit for 1953 was $169,607, 29.1% less than 1952 consolidated net of $239,323.

Total tonnage carried increased by 15% over 1952 figure. There was substantial increase in outbound tonnage, whereas profitable inbound tonnage decreased considerably, reports President Frank H. Brown. Decline was due to "series of untoward developments in one year such as an epidemic of poliomyelitis, floods, changes in government purchasing, etc." Program for improving maintenance of track and structures had the effect of reducing net earnings, although benefits should show in future years.

Program of improvement included rebuilding of station and offices at Whitehorse, re-laying 10 miles of track, improvements in the wharf at Skagway, and other items. First two diesel engines expected to be delivered shortly. These have been specially designed to meet the extraordinary operating conditions, and will be fully tested for some months, after which additional locomotives will be ordered.

In the highway division, the fleet of trucks, trailers, oil tankers and buses has been modernized but will now have to be enlarged.

Since it was not considered advisable that company should carry on mining or mineral developments, a separate company, British Yukon Exploration Co. was formed to carry on the work initiated by the company in this line. A public offering of stock may be made shortly.

Frobisher Ltd., a mining company, has been examining hydro-electric power potentialities of the Yukon Territory all during open season of 1953, and exact program of intention is expected fairly soon. Aluminum Co. of America has also been negotiating to obtain the right to develop a large block of this power with a view to establishing a smelter on U. S. territory near Skagway.

Company remains convinced, says Mr. Brown, that most efficient and lowest cost route for handling of freight in and out of Yukon Territory is by the sea and rail route between Vancouver and Skagway and Whitehorse. Installation of cranes and other handling devices on the part of the company as well as provision of containers for handling goods, and introduction of ocean transportation capable of handling large bulk lots will eventually be necessary. When completed, program of modernization is likely to cost upwards of $3 millions.

To assist in financing, a new class of obligation was authorized in the form of $1.5 millions 5½% unsecured loan stock maturing 1979, carrying with it the right to subscribe for three shares of the common stock of the company for each $100 of the new issue at rates ranging from $16 to $20 per share according to the date on which the subscription is made; $1.1 millions of the stock was privately placed in England.

At a special general meeting of the shareholders, provision was made for increasing the board of directors from six to eight. Sidney Hogg, president of Western Bridge & Steel Fabricators, Vancouver, was elected. The other vacancy has not yet been filled.

CONSOL. INCOME ACCOUNT

Years Ended Dec. 31:	1953	1952
Net earnings	$688,618	$884,337
Less: Deprec.†	152,300	163,274
Amort. stk. exp.	7,553	......
Debent. int.	138,820	164,240
Taxes	220,338	317,500
Net profit and surplus	169,607	239,323

†After deducting capital gains of $31,324 in 1953; $7,148 in 1952.

Times Interest Earned:		
Before dep. & amort.	4.96	5.38
After dep. & amort.	3.81	4.39
Earnings per Share	$0.26	$0.39

No dividends paid.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1953	1952
Cash & govt. bonds	$545,022	$681,246
Accts. rec.	959,476	1,055,587
Invent.	988,247	1,043,353
Total curr. assets	2,492,745	2,780,186
Prepd. exp.‡	61,624	28,218
Prelim. & issue exp.	235,960	249,486
Invest. in subs.	15,000	......
Mtges. rec.	97,690	57,921
Fixed assets*	10,941,731	10,811,618
Total assets	13,844,750	13,927,429
Accts. etc. pay.	871,069	1,069,238
Taxes pay.	258,195	280,240
Total curr. liab.	1,129,264	1,349,478
Funded debt	2,893,800	3,066,400
Reserve†	7,836,017	7,836,017
Other res.	60,035	66,452
Capital stock	1,497,700	1,382,100
Surplus	427,934	226,982
*After deprec. of	1,864,761	1,717,518

†Excess of book value of assets of operating companies over the cost to the parent company.

‡Incl. in curr. assets in company's report.

Working capital	1,363,481	1,430,708

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NEW GENERAL MOTORS WAREHOUSE (Opened 1954)
NEW MARSHALL-WELLS WAREHOUSE (Opened 1954)
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Site of NEW OLIVER CORPORATION WAREHOUSE
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ROBIN HOOD FLOUR MILL

WHY Saskatoon?...because:

Saskatoon is central to Saskatchewan's most plentiful market area (the farmer has plenty of purchasing power standing on his farm—an assurance of a continuously improving market!) Saskatoon offers the largest power resources in the province (it is the only city with gas, it provides unlimited water supply for industrial purposes and plenty of electric power!) Saskatoon NOW OFFERS to manufacturers and distributors SITES in new industrial development areas, fully serviced with gas, electricity and water for industrial use on both C.N.R. and C.P.R. trackage. (The picture above shows one of these areas; gives you some idea of the kind of firms that have already chosen Saskatoon.) Saskatoon as the scene of your western expansion offers every cultural advantage: fine homes and home sites, new rental housing area, the best educational facilities, parks, and the advantages of the presence of the University of Saskatchewan . . . . **SASKATOON has everything!** The Saskatoon Board of Trade is here to give you any specific details required in planning your expansion westward. (All enquiries treated confidentially.)

Manufacturers should note that tributary to Saskatoon are vast sources of raw materials, minerals, etc. In addition, the area is served by the Prairie Regional Laboratory of National Research Council which has a vast fund of technical information on many Saskatchewan raw materials, and on certain processing methods. Saskatoon is a live, growing city. It is big and getting bigger day by day. A few statistics bear this out:

	In 1951	In 1953
POPULATION is up 13%	53,268	59,000 (1954 est.)
POWER CONSUMPTION is up 16%	91,514,041	106,303,958 (KW hours)
BUILDING PERMITS are up 250%	$4,719,134	$15,455,755
Note: Building permits for 1954—up to May 31st are:	$5,223,891	
BANK CLEARINGS are up 27%	$309,822,731	$393,047,452

Further information has been compressed into a folder: "So You Were Asking About Saskatoon." A copy of this folder along with answers to specific questions will be sent to interested manufacturers and distributors upon request.

ADDRESS ALL ENQUIRIES DIRECT TO THE SASKATOON BOARD OF TRADE BESSBOROUGH HOTEL, SASKATOON, SASK.

ANNOUNCEMENT

G. H. Parsons has been named General Sales Manager of the Wholesale Division of The Scholl Mfg. Co., Ltd., Toronto.

Mr. Parsons joined Dr. Scholl's in 1936 after spending many years in retail selling and department store buying. Educated in Toronto, Mr. Parsons started with Dr. Scholl's as a field representative, calling on the shoe trade, and later broadened his experience by transferring to the Drug Division. In a short time, Mr. Parsons took over supervision of all Dr. Scholl's divisions in Western Canada, an assignment that gave him the background necessary to handle the duties of his new position.

Mr. A. E. Chilcott, *President*

C. M. OLIVER & COMPANY LIMITED

takes pleasure in announcing

the admittance of

Mr. E. E. W. Rhodes

to membership in the Company

•

C.M.Oliver & Company Limited

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MORTGAGE SALE BY TENDER

Under and by virtue of the powers contained in a certain mortgage, which will be produced at the time of the opening of the tenders hereinafter referred to, Industrial Development Bank hereby offers for sale by tender, up to twelve o'clock noon (daylight saving time) on the 8th day of July, 1954, in accordance with the terms and conditions of sale referred to herein, the following assets of:

ELORA INDUSTRIES LIMITED ELORA, Ontario

PARCEL NO. 1 — Main Office Building Property
Comprising land having a frontage of approximately 241 feet on East Mill Street, approximately 196 feet on Chalmer Street, and approximately 216 feet on North Queen Street (approximately 1.1 acres). Main office building is approximately 47 feet by 35 feet, stone construction, 1½ storey with basement.
(Lots 9 10 and 11 east side of Chalmer Street, Lots 9, 10 and 11 west side of North Queen Street).

PARCEL NO. 2 — Quarry Property
An irregularly shaped block of land, having a frontage of about 2,390 feet on South David Street, and extending to and having a frontage of about 1,570 feet on the Grand River, comprising about 7.2 acres. (Part of Lot 2, all of Lot 3 and part of Lot 4, Plan 246. C.P.R. has right-of-way over Lot 4 and there is a right-of-way to give access to property in Lot 4 not owned).

PARCEL NO. 3 — Vacant Lots
Two vacant lots, each 68' 8" by 115' 6" on west side of John Street between Colborne and Main Streets.
(Lots 201, 203 on west side of John Street.)

PARCEL NO. 4 — Transformer Division — Land, Buildings, Machinery and Equipment
An irregularly shaped block of land having a frontage on East Mill Street of approximately 241' 6" east from Melville Street and extending to and having a frontage of about 360' on the Grand River comprising approximately 2.2 acres.
Buildings are of stone construction, partly two-storey and having a floor area of about 28,000 sq. ft. Complete machinery and equipment for the manufacture and assembly of small transformers and coils as used in the radio/television electronics field, etc.

PARCEL NO. 5 — Farm Implement Division —Land and Buildings
The remaining land and buildings (including power transformers in Elora; the land being of irregular shape, having a frontage of about 420' on East Mill Street, comprising approximately 8.3 acres on the north side of the Grand River and about 2.3 acres on the south side of the Grand River.
Buildings are one-storey of various sizes and construction — all located on the north side of the Grand River. The aggregate floor areas approximate 52,000 sq. ft.

PARCEL NO. 6 — Office Furniture and Equipment
Desks, chairs, typewriters, filing cabinets, Dictaphone and Sonograph Dictating Equipment, Gestetner, calculators, etc.

PARCEL NO. 7 — Machine Shop Equipment
Drills, lathes, shapers, grinders, milling machines, punch presses, etc.

PARCEL NO. 8 — Forge Shop Equipment
Bulldozers, forges, hammers, furnaces, etc.

PARCEL NO. 9 — Welding Equipment
Three 200 amp., one 300 amp. arc welders, cutting torch.

PARCEL NO. 10 — Foundry Equipment
Cupola, four moulding machines, three tumbling mills, etc.

PARCEL NO. 11 — Woodworking Equipment (belt driven)
Drills, chamfers, tenoner, jointers, saws, etc.

PARCEL NO. 12 —
Tools, dies, jigs, fixtures and patterns used in the manufacture of farm implements. Also high speed and carbon drills, grinding and buffing wheels, files, etc.

PARCEL NO. 13 — Electric Motors
Approximately twenty motors ranging up to 40 H.P.

PARCEL NO. 14 — Miscellaneous Factory Items
Air compressors, scales, blower fans, factory trucks, Economy Tractor, Clarkat Tructractor, etc.

PARCEL NO. 15 — Vehicles
Truck crane hoist, 1950 Chevrolet sedan, 1947 stake body 3 ton Chevrolet truck.

All the above machinery, equipment, etc., is located on the premises of Elora Industries Limited, Elora, Ontario, and arrangements for inspection may be made by communication with Industrial Development Bank, Room 919, 85 Richmond Street West, Toronto, Ontario (EMpire 8-1171).

Tenders may be submitted:

(a) Parcels 1 to 15 inclusive — en bloc.

(b) Parcels 1, 2, 4 and 5 — by parcel or en bloc.

(c) Parcels 3, 6 to 15 inclusive — by parcel or by individual items.

All tenders shall be addressed to Messrs. McLaughlin, Macaulay, May & Soward, 302 Bay Street, Toronto 1, Ontario, solicitors for Industrial Development Bank, and shall be for a stated sum and in writing, enclosed in sealed envelopes plainly marked, "Elora Industries Limited Tender."

All tenders shall be accompanied by a certified cheque, by way of deposit, payable to Industrial Development Bank, equal to 10% of the tender (which deposit will be returned if the tender is not accepted, but will remain the property of Industrial Development Bank as liquidated damages if the tender is accepted and the purchase is not completed by the purchaser). A further 15% of the purchase price shall be payable upon acceptance of the tender and the balance, with respect to tenders for Parcels 6 to 15 inclusive, shall be payable upon completion of the sale which shall be within thirty days of acceptance of the tender. With respect to Parcels 1 to 5 inclusive, if the purchaser does not propose to pay the balance of the purchase price upon closing, proposed terms covering the balance should be clearly set out in the tender.

Each tender must contain an address to which notice of acceptance may be mailed; the highest or any tender not necessarily accepted. Industrial Development Bank reserves the right to hold tenders ten days to consider same; in the meantime no person shall retract his tender.

Industrial Development Bank does not guarantee or make any warranty or representation as to the quantity, quality, condition or description or otherwise of the properties, real and personal, herein referred to, nor has it done so. The Purchaser must satisfy himself as to the existence, nature and value thereof and shall be deemed to rely on his own inspection and investigation.

Lists of machinery and equipment, Terms and Conditions of Sale, along with descriptions of the real estate, may be obtained from Industrial Development Bank, Room 919, 85 Richmond Street West, Toronto, Ontario (EMpire 8-1171).

Tenders will be opened at the office of Messrs. McLaughlin, Macaulay, May & Soward, 302 Bay Street, Toronto 1, Ontario, at 2 p.m. (daylight saving time), 8th July, 1954, at which time and place all tenderers are requested to be present.

INDUSTRIAL DEVELOPMENT BANK
By its Solicitors herein:
McLaughlin, Macaulay, May & Soward
302 Bay St., Toronto 1, Ontario

Can We Improve Canadian Holiday Travel?

The Question: What are your specific suggestions for making long distance holiday travel by train and plane in Canada more attractive?

Train and plane travel, as holiday transportation, can use plenty of improvement, report The Post's correspondents unanimously this week.

As it is, many Canadians prefer their own cars to rail or air because of the high costs and lack of flexibility in schedules. Railways and airlines must offer something more than just a ride or price themselves into difficulty, one correspondent says.

Excursion rates, kitchenette service could cut railway fares and expenses. Numbered, reserved seats would make flying more pleasant. For long journeys, why not children's play cars, more recreation coaches with movies and refreshment facilities? Railways and airlines both could do more announcing of historic or scenic sites passing by or below.

H. W. ACKERMAN, President, Belleville Cemetery Co., Belleville.

Plane seats should be reserved, avoiding unseemly scramble for best seats. Pilots should announce points of interest underneath. British visitors find immigration requirements onerous, but American requirements even for transit through the Port of New York only are very much worse. Britain should finger and toe print all American visitors.

* * *

J. T. BARNES, Vice-Chairman, Sarnia Hydro-Electric Commission, Sarnia.

The average vacationist is a vagabond at heart. He prefers his car over plain or train because it allows flexibility of schedule plus the easy accessibility to out-of-the-way places at a minimum of cost.

His food may range from a hot-dog to a juicy steak but it can be obtained at a reasonable cost, without the growing suspicion that he is paying off the national debt when the check is presented —the saving going for gasoline.

Present day high operating costs of train and plane service could very easily price these modes of travel into difficulty unless the public is soon offered some attraction other than ride.

Excursion rates would help. This is a buyer's market and a more personalized attitude toward him should be considered. The confining quarters of plane and train could be compensated to some degree by furnishing a brochure or announcing over a loud speaker some of the many wonderful attractions that exist along their route to publicize this great Canada of ours. Avertising should be their keynote and treat the passenger as a guest—not as an inanimate subject. Always remember that a little courtesy will produce enduring friendship and a boosting customer.

* * *

C. E. BERG, Vice-President, Trades & Labor Congress of Canada, Edmonton.

First, railways must cease to fence in such places as Lake Louise and treating the public like reservation Indians. Second, modernize equipment while labor is available, also improve road beds to give better service. Make travel a pleasure not a dragged out pain in the neck. Modernization is also required in our air service. Do away with unnecessary noises, put up hotels and sleeping accommodation at transfer points, speed baggage delivery to eliminate loss of time at airports, provide cool refreshing drinks aboard planes, let those who desire to smoke a cigar do so or eliminate all smoking.

* * *

MAJOR H. G. CHRISTIE, Editor, Telegraph-Journal, Saint John, N.B.

Desiderate are provision of sufficient accommodation and catering arrangements for comfortable travel, meeting demands liable to vary from week end to week end, arranging times of departure and arrival at convenient hours. Problems of time and space obviously render impossible an attainment of the ideal in all cases.

The matter involves the technicalities of providing special traveling facilities within the general operation of the two forms of transportation, without upsetting the regular schedules and having regard to available personnel and material.

If railways and airlines have not sufficient problems without this, they might approach this one, but it is not one for the general public to attempt a solution.

* * *

HARVEY DRYDEN, Tourist Supervisor, Government of Saskatchewan, Regina.

Something that has long been close to my heart is a recreation car with reading room, snack bar, music, showing of films and possibly play room for kids. The national film board could supply films for every train in the country.

The most appealing train trip of the year for Westerners is the Grey Cup trip. Few people even consider making this by car. Here the recreation car is the centre of attention with singing, dancing, talking. No boredom on this trip, I can assure you.

During summers, railway-operated sight-seeing trips at such longer stops at Winnipeg, Moose Jaw, Edmonton, etc. would hit the spot with most travel-weary passengers.

* * *

TERRY DUDDRIDGE, Advertising Department, Canadian Bank of Commerce, Toronto.

Long train journeys are usually tiring for small children. I feel that if a coach could be set aside as a play room, under competent supervision, both parents and children would be more relaxed when they reach their destination. A magazine rack in each coach, containing a large variety of publications, would provide a welcome service.

Plane travelers are grateful to an airline for safety precautions but not enough information is given regarding delays. Waiting at an airport or in a plane can be irritating and a short explanation to the passengers would help considerably. Also, if through a delay, the plane is still in flight at mealtime, with no provision for emergencies, forward thinking by those in authority would enable the passengers or the stewardess to buy at least sandwiches from the airport cafeteria before taking off.

* * *

W. C. HAWKINS, Sales Supervisor, Canadian Resins and Chemicals, Montreal.

Having always enjoyed train travel, it looks better than ever with modern coaches, parlor and dining cars replacing older types. Time is still the drawback for the two-week vacationist who cannot plan an extensive rail trip and still spend any length of time at his destination.

Planes overcome the time factor but don't compare in terminal facilities. Much improvement needs to be made in comfort and restaurant facilities at our airports to encourage holiday air travel. There's also room for improvement in notifying passengers of flight cancelations and looking after them during stopovers. Rail and plane seat reservations would do much to make travel more comfortable.

* * *

E. C. JOHNSTONE, Manager, Dominion Life Assurance Co., Charlottetown.

Waiting at airports is most unpleasant feature of flying. Air travel would be more attractive if crowded passengers had a projection room for the showing of documentary films. Kitchenette service provided by railways in Western Canada should be extended to the East as well. Travelers should be able to secure light lunch and beverage after dining room is closed. Railways should follow example of airways and disallow tipping.

D. W. PADDELL, Advertising Manager, The Canada Trust Co., London.

Train travel would be more attractive with all diesel power for a cleaner, smoother ride, cafeteria or lunch service for less expensive meals, shower facilities on all sleeping cars, more space for smokers, strict observance of no smoking rules in designated areas and quiet recorded music in lounge or club cars. Plane travel would be improved with more comfortable sleeping chairs for overnight trips, better soundproofing of cabins and a reservation system to provide an opportunity to select specific plane seats if desired.

* * *

L. B. THOMSON, Director, P.F.R.A., Regina.

My suggestion would be for long distance train and plane travel to have stopovers with properly conducted tours to see more of the different parts of Canada, such tours to include all meals and accommodation and experienced public relation officers to encourage fellowship and acquaintance and to explain points of interest. Also such conducted tours to allow for reasonable rest periods or time for individual plans. Trains could be speeded up between stopovers.

* * *

G. R. WILLIAMS, M.B.E., Rothwell & Bowring Ltd., St. John's, Nfld.

Train and encourage all service employees to display increased interest in the needs of all travelers, as the average traveler is not familiar with rules. Increased politeness and courtesy would improve traveling conditions everywhere.

* * *

N. J. WATSON, Robt. Mitchell Co., Montreal.

I suggest: (1) all transportation employees contacting public to be courteous and sales minded; (2) all travel information including hotel accommodation to be available from transportation companies verbally or by letter; (3) all seats reserved and location indicated; (4) special cars or sections for adults only; (5) special sections for table games for children; (6) reduced rates for families; (7) add snack and soda counters on trains; (8) supply both first class and tourist accommodation, using modern equipment. The many advantages of train and plane travel in Canada including scenery, safety, convenience and speed, deserve every consideration.

CHURCH WALLS
CLEANED RENOVATED REDECORATED

For over 45 years we have studied, developed and scientifically applied wall renovating processes to restore the original beauty and freshness to every conceivable type of decorated surface, and have renovated thousands of institutions and homes at small cost — whatever may be your requirements — invertigate before redecorating.

WE RENOVATE BY SPECIAL PROCESSES

WALLPAPER . . . OF EVERY DESCRIPTION •
PAINTED SURFACES . . . FLAT OR GLOSS •
COTTONED CEILINGS . . . AND WALLS •
BLENDED OR . . . TINTED SURFACES •
ENAMELLED WALLS . . . AND WOODWORK •
GLAZED OR . . . IVORY FINISHED WALLS •
CHURCH . . . AND THEATRE DECORATIONS
STUCCO . . . AND CAENSTONE SURFACES
ACOUSTICAL SURFACES . . . ALL TYPES
LINCRUSTO . . . AND LEATHERETTE PAPERS
PAINTINGS MURALS ORNAMENTAL WORK
DECORATIONS OF EVERY DESCRIPTION

A.TEOLIS LIMITED IN HOMES CHURCHES OFFICES
4 COLLIER ST., TORONTO. PHONE WA 4-1467

SURVEYER, NENNIGER & CHÊNEVERT
CONSULTING ENGINEERS
1440 ST. CATHERINE ST. W., MONTREAL 25, QUE.

COMPLETE DESIGN OF INDUSTRIAL PROJECTS . . . every phase from . . . Site Selection, Layout, Structural and Building Services . . . to completion. Either alone or in collaboration with Clients' Engineers or outside Specialists.

DESIGN and SUPERVISION of Construction of general Municipal Works . . . Water Filtration and Sewage Treatment Plants . . . Hydro-Electric and Steam Plants . . . Hydraulic Structures, Harbours and River improvements.

HE IS A KEY MAN

The Imperial Life sales representative does much more than render life insurance service. He's really a key man in the country's economy. The savings he encourages people to make are safely invested for the future in ways that build homes and businesses, create jobs and make Canada a better place in which to live.

IMPERIAL LIFE

Is this all you have laid by for a rainy day?

FOUNDED 1897 • HEAD OFFICE: TORONTO, CANADA
Branches throughout Canada

New Issue

$13,750,000
(550,000 shares)

Abitibi Power & Paper Company, Limited

4½% Cumulative Redeemable Preferred Shares
(Par value $25 per share)

Preferred as to capital and dividends. Fixed cumulative preferential dividends at the rate of 4½% per annum as and when declared by the Board of Directors, will be payable quarterly in lawful money of Canada on the first days of January, April, July and October in each year, at any branch in Canada of the Company's bankers. Dividends will accrue from August 1st, 1954, the first dividend to be payable October 1st, 1954 covering the two months' period from August 1st, 1954 to October 1st, 1954.

Redeemable at the option of the Company at any time in whole or from time to time in part on not less than thirty days' notice at par together with all accrued and unpaid preferential dividends thereon to the date of redemption.

Transfer Agents: Montreal Trust Company, Toronto, Montreal and Vancouver; City Bank Farmers Trust Company, New York, N.Y., U.S.A.

Registrars: The Toronto General Trusts Corporation, Toronto and Vancouver; The Eastern Trust Company, Montreal; The National City Bank of New York, N.Y., U.S.A.

In the opinion of Counsel, these Preferred Shares 1954 Series will be investments in which the Canadian and British Insurance Companies Act states that companies registered under part III thereof may, without availing themselves for that purpose of the provisions of Subsection (4) of Section 63 of said Act, invest their funds.

We, as principals, offer these Preferred Shares 1954 Series, subject to prior sale and change in price, if, as and when issued and accepted by us and subject to the approval of all legal matters by our Counsel, Messrs. Tory, Miller, Thomson, Hicks, Arnold & Sedgewick, Toronto, who are also Counsel for the Company.

Price: $24.25 per share, to yield over 4.63%.

Subscriptions will be received subject to rejection or allotment in whole or in part and the right is reserved to close subscription books at any time without notice.

It is expected that there will be available for delivery on or about June 28th, 1954,

(i) Trustee's Interim Receipts issued in respect of cash purchases of these Preferred Shares 1954 Series, such Receipts bearing interest at the rate of 4½% per annum to August 1st, 1954, and

(ii) Trustee's Deposit Receipts bearing no interest and issuable in respect of presently outstanding Preferred Shares of Abitibi Power & Paper Company, Limited.

It is expected that Preferred Shares 1954 Series in interim or definitive form will be available for delivery on or about July 29th, 1954 against surrender of the above mentioned Trustee's Interim Receipts and Trustee's Deposit Receipts.

A Prospectus, a copy of which has been filed with the Secretary of State of Canada in accordance with the provisions of the Companies Act, will be furnished promptly upon request.

Wood, Gundy & Company Limited

W. C. Pitfield & Company, Limited
Wills, Bickle & Company
Greenshields & Co Inc
Dawson, Hannaford Limited
Burns Bros. & Denton Limited
René-T. Leclerc, Incorporée
Equitable Securities Canada Limited
The Western City Company Limited
F. J. Brennan & Company Limited

Royal Securities Corporation Limited
McLeod, Young, Weir & Company Limited
L. G. Beaubien & Co., Limited
H. B. Housser & Co.
Mills, Spence & Co. Limited
Savard & Hart Inc.
Collier, Norris & Quinlan Limited
Yorkshire Securities Limited

MacTier & Co. Limited

A. E. Ames & Co. Limited
Nesbitt, Thomson and Company, Limited
Dominick Corporation of Canada
Deacon Findley Coyne Limited
Bell, Gouinlock & Company Limited
R. A. Daly Co. Limited
Pemberton Securities Limited
Geoffrion, Robert & Gelinas, Inc.

Dominion Securities Corpn. Limited
James Richardson & Sons
Harris & Partners Limited
Midland Securities Corpn. Limited
Cochran, Murray & Co., Limited
Bartlett, Cayley & Company Limitee
Eastern Securities Company Limited
Bankers Bond Corporation Limited
Osler, Hammond & Nanton Limited

MACLEAN - HUNTER

Your greatest force in selling to Canadian buyers

MACLEAN - HUNTER

67 Years of publishing leadership

Let Canada's most important group of publications stabilize and strengthen your sales position in this burgeoning Canadian market. Their leadership is solidly built on four standards of practice:

1. Editorial Policy: the reader comes first. Editors of M-H publications devote themselves to the service of readers. They are well-equipped to create and hold reader-enthusiasm — to give you, the advertiser, a responsive audience for your selling message.

2. Circulation Policy: building the right audience. Superior readership sells M-H publications to larger and keener audiences. It provides top coverage — validated circulation in many different fields across Canada. Here is honest service to both reader and advertiser.

3. Advertising Policy: selling "proven readership." M-H publications sell more than white space. They sell "proven readership" — exhaustively researched — honestly documented. This reader-enthusiasm in all M-H publications means that you get more for your advertising dollar.

4. Independence: no political or association affiliations. M-H publications are completely objective in their service to Canadian readers. The editor's judgment on material is supreme; the publisher alone passes on the acceptability of advertising. Our readers, your buyers, have confidence in the integrity of M-H publications.

These M-H publications — each the leader in its field — can help you sell across Canada

NATIONAL MAGAZINES

Maclean's
Chatelaine
Mayfair
Canadian Homes and Gardens

SEMI-ANNUALS

Canadian Bride
Book of Homes and Home Decoration

BUSINESS ANNUALS

Business Year Book
Survey of Industrials
Survey of Mines
Survey of Oils
Directory of Directors
The National List of Advertisers

BUSINESS NEWSPAPERS

The Financial Post
Bus and Truck Transport
Canadian Advertising
Canadian Aviation
Canadian Automotive Trade
Canadian Grocer
Canadian Hotel Review and Restaurant
Canadian Machinery and Manufacturing News
Canadian Paint and Varnish Magazine
Canadian Packaging
Canadian Printer and Publisher
Canadian Shipping and Marine Engineering News
Canadian Stationer and Office Equipment Buyer
Canadian Trade Abroad
Civic Administration
Drug Merchandising
Electrical Contractor of Canada
Fountains in Canada
General Merchant of Canada
Hardware and Metal and Electrical Dealer
L'Epicier
Le Prix Courant
Men's Wear of Canada
Modern Power and Engineering
Painting and Decorating Contractor
Plant Administration
Sanitary Engineer, Plumber and Steamfitter
Style

OTHER SERVICES

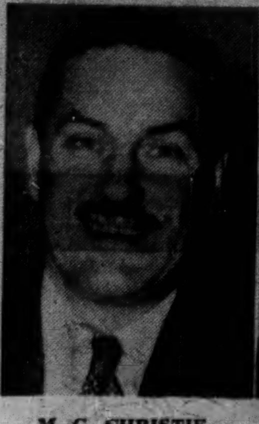
The Financial Post Corporation Service
Canadian Press Clipping Service
Commercial Printing Division

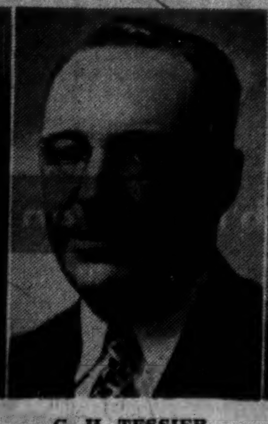
MACLEAN-HUNTER PUBLISHING COMPANY LIMITED
TORONTO MONTREAL

Maclean-Hunter Publishing Corporation
Chicago • New York

Maclean-Hunter Limited
London, England

Handling Details at the NIAA Conference


M. G. CHRISTIE
National Business Publications
General Chairman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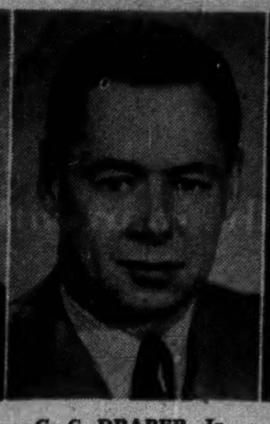
Vice-Chairman

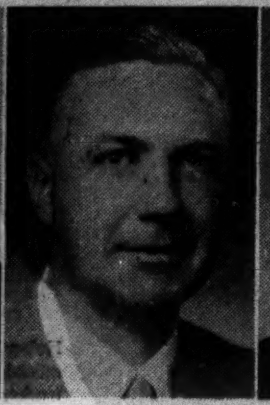

G. C. DRAPER, Jr.
Peacock Bros.
Arrangements

E. H. WOODLEY
Northern Electric Co.
Program

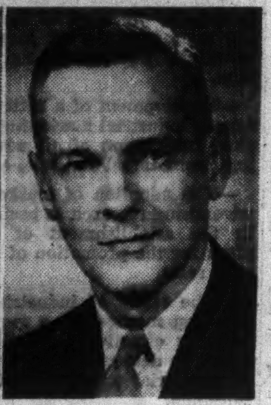
W. GORDON YOUNG
Nat. Bus. Pub.
Secretary

J. J. WALLACE
Holliday Public.
Ladies' Hospitality

J. F. GLASIER
Can. Allis-Chalmers
Attendance


J. D. WELSH
Canadian Industries Ltd.
Publicity

H. M. SAGE
Maclean-Hunter
Entertainment


L. G. MORRIS
Brown Boveri (Canada)
Finance

Industrial Admen Look at the Future

Accent On Business At Big NIAA's Montreal Conference

MONTREAL (Staff) — Industrial advertising in all its aspects became the talk of the town in Montreal this week.

Canada's largest city is host to the 32nd annual meeting of the National Industrial Advertisers Association. More than 1,000 company advertising managers, publishers and agency executives from every corner of North America have converged here to talk about their business.

And accent of the tightly scheduled program is strictly on business. This is not a convention in the hullabaloo sense of the word. This is a conference.

A conference among men who deal in space— space, the value of which rivals history's greatest real estate booms. Their kind of space was worth $800 millions last year. It's advertising space used in Canada and the U. S., to sell goods and services to industry.

The meeting of N.I.A.A. — the largest advertising association in the world — is the once-a-year spotlight on the wealth of thinking about many phases of industrial advertising.

"It has been a long road, but the place of industrial advertising in the general advertising picture is now firmly established. Best of all, management in the industrial field has come to recognize that in advertising it has found a tool with sharp adges," says Frank Wright, head of N.I.A.A. Canada.

Growth of N.I.A.A.

Canadian and U. S. industrial advertising has increased in volume by more than 100% since 1946, totaling more than $800 millions in 1953. An important contributing factor to this growth has been the leadership given by N.I.A.A., which itself has grown in the period from 2,500 to 4,500 members.

Representing over 2,500 leading North American companies, the 32-year-old association has the largest individual membership group in the ad field. With 33 chapters dispersed on this continent, it also has members-at-large in England, France, Holland, Belgium, West Germany, India and Honduras.

This year's conference chairman is Mervyn G. Christie, general manager, National Business Publications, Gardenvale, Que. Headline speakers are John C. Forrest, financial-business editor of the New York Times, James Sinclair, Minister of Fisheries and G. W. Howard Ahl, president of the National Association of Purchasing Agents. (U. S.)

Panel discussions are being held under the following headings:

—"Are you missing out on Industrial direct mail — an essential, powerful sales tool?"

—"More standards for measuring your advertising's effectiveness."

—"Research to Reduce the Cost of Selling — Progress of Research Institute."

—Proven Exhibit Techniques.

—"How industrial catalogues are designed, produced and distributed."

—"Industrial Publicity."

—"Production Economies."

—"Media Selection."

Emphasis of association activities is on raising advertising to an essential role in policy-level administration of industrial concerns.

International headquarters are located in New York, where a full-time staff publishes newsletters, keeps up a comprehensive advertising library and works with the elected Executive Committee and Board of Directors in co-ordinating Association activities.

Research is centred in the $100,000-a-year Industrial Advertising Research Institute, set up by N.I.A.A. for a continuous study of the widening industrial advertising field. Function of the group is not to prove anything, but simply to gather facts. Factual findings are presented to members in terms of advertising principles plus interpretation.

There are also separate N.I.A.A. Research Committees which operate on a national level to organize surveys on advertising effectiveness, convention and exhibit techniques, direct mail systems, proper public relations methods and industrial buying practices. Every year N.I.A.A. polls its membership and publishes a survey of industrial advertising budgets on a product breakdown basis.

Data and Awards

N.I.A.A. has also been the leading influence in standardizing data prepared by publishers about their magazines and newspapers. An N.I.A.A. booklet dealing with "Suggestions for the Advancement of Business Paper Advertising" is generally considered to be one of the major contributions to advertising standards.

The Association conducts an annual awards contest for all fields of industrial advertising, including, this year for the first time, a special category for "small budget advertisers." Another activity is to encourage the teaching of industrial advertising fundamentals in universities.

Local chapters hold regular once-a-month business meetings, usually at luncheon or dinner. Montreal is the largest Canadian organization, with 156 members. Established in 1937, as the Technical Advertisers Association it pioneered the N.I.A.A. concept on this side of the border. There are 350 members at other Canadian chapters in Toronto, Hamilton and Vancouver.

The Montreal chapter has been working on an extensive economics project to define Canada's "position in the industrial world, its progress over the years, and some indication of future prospects." The study, expected to be completed later this year, covers basic facts on population, marketing zones, farm market information, fiscal policy, natural resources, publications, research facilities, custom regulations, retail sales data, and foreign trade, as well as a detailed analysis of 26 basic industrial groups.

The history of N.I.A.A. is really the story of the development and

(Continued on page 14)

MODERN POWER AND ENGINEERING
—the Engineering Publication
Selected for Canadian STARCH STUDIES

NIAA members and industrial advertisers generally may now know how well their Canadian advertising is read. Modern Power and Engineering is the only engineering publication in the Canadian Starch business paper research program.

Advertisers will realize, too that our technical editors will have another close check on editorial interest — one more help in maintaining Modern Power and Engineering's editorial leadership.

Schedule your ads to tie in with the Starch Reports in these issues:
May, September 1954 — March, May, September, November 1955.

READERSHIP STUDY BY CANADIAN FACTS LTD. NOW AVAILABLE

Ask for the full particulars about attitudes and reader habits of plant engineers and chief engineers (in Canadian industry, utilities and institutions) toward Modern Power and Engineering. Here are just some of the conclusions in this impartial study:

Better than 9 out of 10 (92%) of the plant engineers and chief engineers or their equivalents in establishments which receive Modern Power and Engineering claim to see it personally. Almost as many (88%) claim actually to read it.

Over a third (36%) of those who see Modern Power and Engineering claim to see only this one of the five principal Canadian engineering journals which circulate to electrical and power engineers. And not more than one third (34%) claim to see any individual publication of the other four.

Among those who see more than one publication, Modern Power and Engineering is rated the most useful more often than any other.

Readers claim to spend an average of almost 2 hours per month with this publication.

3 out of 4 engineers interviewed claimed that at least one other person reads their copy of Modern Power and Engineering, and they estimated a total average of 3.6 readers.

2 out of 3 engineers interviewed say that either whole issues or clipped articles are kept for future reference.

9 out of 10 engineers who see Modern Power and Engineering claim to read the advertising, and 3 out of 5 say it influences the power and engineering equipment they buy.

Modern Power and Engineering

CANADA'S NATIONAL POWER MAGAZINE
481 University Ave., Established 1907 Toronto 2, Ontario
A Maclean-Hunter Publication

CCAB

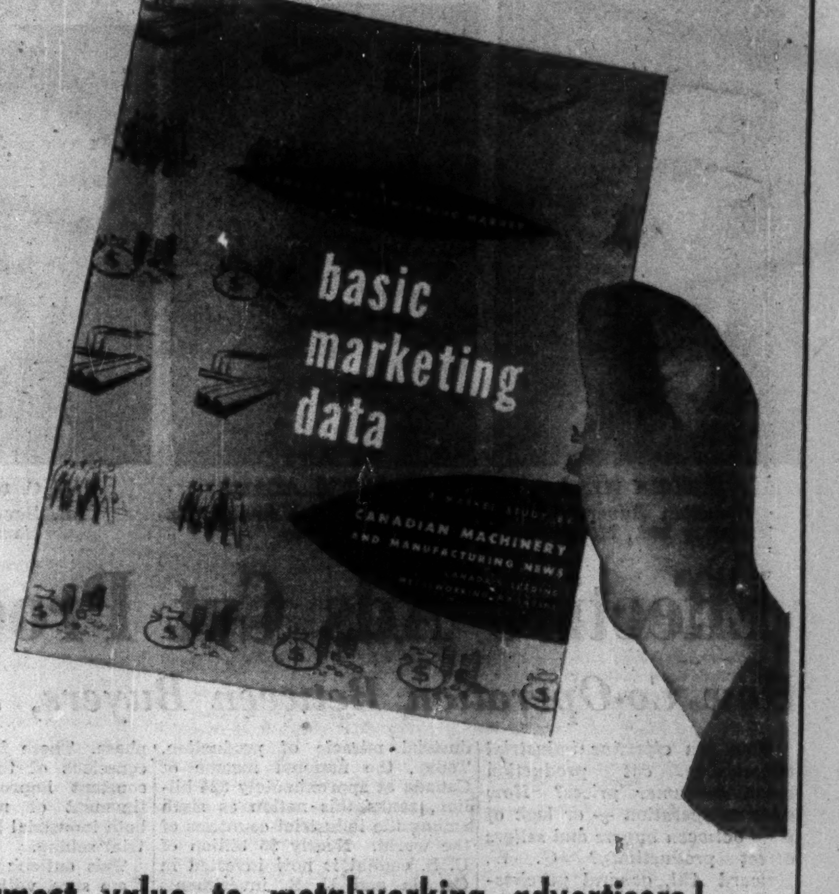
BNA

ANSWERING THESE QUESTIONS:

1 How many plants are there in Canada employing over 50 persons producing industrial and consumer metal products?

2 How much equipment does the metalworking market in Canada buy—and where does it originate?

3 In what areas in Canada are the bulk of metalworking plants located?



A market study of utmost value to metalworking advertisers!

This new study of the Canadian metalworking market contains, in concise form, the most complete report on plants, employment, production and purchasing power. It is offered to you by Canada's first metalworking business paper—Canadian Machinery and Manufacturing News.

Canadian Machinery has been covering the Canadian metalworking market for 50 years. Its advertising pages today reach the most influential and active buyers of metalworking machinery and machine tools in Canada—buyers whose purchases from outside Canada alone have grown in the past seven years from $18,452,733 in 1946 to $62,418,830 in 1953.

The important information on Canada's metalworking market included in our booklet, "Basic Marketing Data," has been compiled by Canadian Machinery to assist you in determining your potential market and planning your sales program in Canada.

Write for your free copy to Canada's most influential metalworking business paper:

CANADIAN MACHINERY
AND MANUFACTURING NEWS

TORONTO
481 University Avenue

MONTREAL
1242 Peel Street

NEW YORK
522 Fifth Avenue

LONDON, ENG.
Wellington House, 125 Strand

A MACLEAN-HUNTER PUBLICATION

IN CANADA You Can Get to the Heart of Your Markets
Through the Influence of these
"NATIONAL BUSINESS"
Publications

PULP & PAPER
CANADIAN MINING JOURNAL
CANADIAN OIL and gas INDUSTRIES
Canadian Food Industries
Canadian Refrigeration Journal
FREEZING & COLD STORAGE
SHOP
Canadian Journal of Comparative Medicine
Product News
WHAT'S NEW
CANADIAN INDUSTRIAL EQUIPMENT NEWS
CIEN
YOUR INQUIRY SERVICE

Published by National Business Publications Limited at Gardenvale, Que., all are leaders in their respective fields.

Well established, well edited and nationally circulated, these business magazines make it easier to build a strong sales position for your products in Canadian markets. They exercise a strong influence in the buying of machinery, equipment and materials for capital and maintenance purposes, exceeding $7 billions annually.

At sales offices shown below you may secure helpful information on Canadian markets in which you are interested.

CANADIAN MINING JOURNAL, now in its 75th year, stands first in the mining field in Canada. It is the only national independent technical mining magazine, and is read by technical and executive men in all leading mines. CCAB

PULP & PAPER MAGAZINE OF CANADA. 51 years national coverage of Canada's top manufacturing-industry. Official Organ of the Technical Section, Canadian Pulp & Paper Association. CCAB.

CANADIAN INDUSTRIAL EQUIPMENT NEWS has the largest circulation of all Canadian industrial publications. An up-to-date information service on "whats new" in plant machinery, equipment and supplies, for buyers in all industries. CCAB.

CANADIAN OIL & GAS INDUSTRIES is the technical magazine of Canada's petroleum industries, from exploration to refining. Your most effective approach to the men responsible for operation. CCAB

CANADIAN FOOD INDUSTRIES. Leading journal of the food industries. Its annual statistical number in May is the standard reference on Canadian food processing statistics. CCAB

CANADIAN FISHERMAN. The only national coverage of the commercial fisheries. Serving the industry for 40 years. A market for modern equipment. CCAB.

CANADIAN REFRIGERATION JOURNAL. Only Canadian publication serving the refrigeration and air conditioning industries exclusively. Reaching manufacturers, distributors, dealers, engineers and servicemen, and large users. CCAB.

FREEZING AND COLD STORAGE. A comprehensive coverage of the fast-growing field of food refrigeration; helping you sell to cold storage plants, food freezing and packing plants, locker plants and supermarkets. CCAB.

SHOP. The national newspaper of used equipment. CCAB.

PRODUCT NEWS. Largest retail circulation in Canada. A fast-growing publication, reporting "what's new" in hardware, appliances and shelfware. CCAB.

THE CANADIAN DOCTOR. The medical man's business journal. The best read paper in the Canadian medical field, with complete coverage of the practising members of the profession. CCAB.

CANADIAN JOURNAL OF COMPARATIVE MEDICINE. Canada's only veterinary journal; a complete coverage of veterinarians.

ANNUAL PUBLICATIONS: Canadian Mining Manual; Pulp and Paper Manual of Canada; National Directory of Canadian Pulp & Paper Industries; Canadian Fisheries Annual; Canadian Ports and Shipping Directory (biennial).

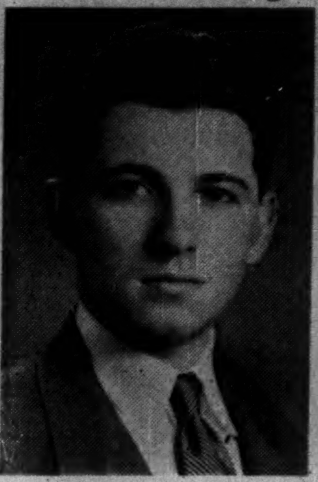
National Business also publishes ROD AND GUN IN CANADA, Canada's national outdoor life magazine. ABC.

MONTREAL: 1410 Stanley St.
TORONTO: 137 Wellington St. W.
VANCOUVER: 736 Granville St.
NEW YORK: W. G. Gould, 7 West 44th St.
CHICAGO: W. S. Akin, 19 S. LaSalle St.
PITTSBURGH: G. H. Scoltock Jr., 1020 Farmers Bank Bldg.
LOS ANGELES: A. H. Haurin Jr., 6000 Miramonte Blvd.
ENGLAND: A. J. Chambers, 33 The Avenue, Beckenham, Kent.

A representative of National Business Publications Limited will be glad to help you plan your advertising to industry in Canada.

NATIONAL BUSINESS PUBLICATIONS Limited
Head Office: GARDENVALE, Que.

They Head Canadian Chapters of NIAA



C. JOHN WEST
Canadian Advertising Agency Ltd., Montreal

GRANT H. ADAMS
Canadian Johns-Manville Co. Toronto

L. C. GEORGE
Int. Harvester Co. Hamilton

DAVID G. C. EGGO
Editor, Purchasing in W. Canada Vancouver

Effective Ads Cut Production Costs

How Co-Operation Between Buyers, Sellers Means Savings

How can effective industrial advertising cut production costs, consumer prices? How does co-operation — or lack of it — between buyers and sellers affect productivity? G. W. Howard Ahl, general purchasing agent, Philip Morris & Co. Ltd., New York, and president, National Assn. of Purchasing Agents, discussed these and other important questions at the National Industrial Advertisers Assn. annual meeting at Montreal this week. He suggested areas where "increased co-operation may make possible greater efficiency." Here is a digest of his address:

By G. W. HOWARD AHL

On this occasion, when executives in two of the leading nations of the world have joined their moods, ambitions and methods to plan for more and better peaceful industrial progress, it is of great significance for the future prosperity of the world that the ideas are directed toward increasing the distribution of the useful products, goods and services of these nations.

Together, Canada and the U. S., through the joint actions of their purchasing and sales executives and the technical and promotional minds of industrial managements of both countries, have powerfully bulwarked in recent years the real factors which will insure maximum peace and security throughout the entire world in coming years.

By any measurement standards, the combined output of these two countries is a gigantic industrial miracle of production. Today, the national income of Canada at approximately $24 billion, ranks this nation as sixth among the industrial countries of the world. Nearly $5 billion of U. S. capital is now invested in Canada and U. S. investments have been increasing at the rate of approximately $500 million a year since 1950. And yet Canadians themselves are furnishing 85% of all the investment funds that Canada needs. In foreign trade, Canada ranks third among the nations of the world.

In the United States, during the 24 years from 1929 to 1953, the total production as measured by 1953 dollars according to leading authorities grew from $175.9 billion in 1929 to $367.2 billion in 1953, or an average increase of $8 billion per year. A growth to $387 billion by 1955 has been predicted as an estimate in line with past trends. This would mean an increase of consumption of 10% above the 1953 average level.

Growth Will Continue

But no matter by what measurements we process our plans, all experts seem agreed on two points. These are:

—That Canada will continue to increase its industries and its output,

—That the United States will also continue to increase in both facilities and total output of production. The combined estimates make it certain that the total production of both countries will reach more than $400 billion in the foreseeable future.

This substantial prospect and outlook indicates that vast markets of all-time record size are in a dynamic and expanding phase. These facts make us all conscious of the real need for constant improvement and refinement of methods used in both industrial buying and industrial selling.

This outlook impresses us all, I am sure, with the basic public services which both industrial advertising and industrial purchasing provide, through assuring maximum profitable production and distribution. We can be confident, therefore, that we both stand on solid ground when we plan for mutual exchanges of "know-how" for both advertising and correspondent function, the technical "reciprocal" of advertising, which is industrial buying. Both buying and selling are basic elements of this progress.

The Consumer Benefits

Purchasing executives in industry are keenly aware of the benefits of top quality selling and top quality advertising. Here are just a few of the indicators of consumer benefits which appear in any normal business day at a purchasing executive's desk:

1. Quality control standards of some suppliers help the buyers and users.
2. Packaging, wrapping and labeling features may save time in warehousing, handling transporting, or dispensing industrial products.
3. Point - of - use information may help create production or plant maintenance savings.
4. Local distributor's delivery service may prevent delays in shipment from distant points.
5. Operating guarantees may reduce costs of preliminary tests and analysis.
6. Standard quantity lot systems of supply may help to cut costs of handling small orders for buyers.
7. Exchanges of technical case histories may help to suggest industrial engineering innovations in customers' plants.

The purchasing executives of industry administer tasks which are just as complex and difficult as the tasks of planning industrial advertising campaigns. They must maintain adequate personnel and attitudes to encourage scientific and equitable procurement. They must supervise economic studies to obtain accurate data on price and supply trends for business generally and for special commodities and products purchased in largest quantities. Catalogue and product information files must be maintained up-to-date, with correlated price and delivery data. They must welcome salesmen, service men, engineers, analysts, research men, advertising analysts, distributors representatives and suppliers' top executives.

The ethical problems of purchasing comprise another virtual codification of "Do's and Dont's." Forward buying must be studied, but there must not be risky speculation. The buyer must have price protection, but must not ask for unfair price advantages. Sources of supply must be accredited according to their financial responsibility, as well as their product quality.

The purchasing agent must manage some kind of a "purchase budget," and vendors may not realize that a delay in buying due to budget limitations is a good thing for the vendor in the long run. There are some products which may be bought better by centralized buying, while others may be bought to better advantage through local buying in multiple plant companies. Sometimes, both types of sales service are needed and advertising should reach the home offices as well as the plants.

How Advertising Helps

Advertising helps purchasing when it aids the advancement of technical standards of product design, materials, quality, dimensions, finish, workmanship and marking. When offers fully describe the materials used in manufacturing the buyer saves time in analyzing the products to determine this information. At times, production methods information may be a factor in major purchasing decisions. If advertising has not stated the methods, purchasing analysis may be required to cover these points.

Understandably, purchasing executives have had many years of patient co-operation in sales follow-up and purchase follow-up tasks. Some firms have had to employ staffs of expeditors to perform this kind of work at the buyers' expense. Naturally, vendors who assure that this expense can be held to a minimum have an advantage in selling. Another related problem is the task of joint control of inventory and warehousing, coupled with incoming traffic management. Advertising helps the purchasing function when it tells exactly what aids are available in services affecting these functions.

The high volume and efficiency of today's record quantities of production and sales could not have attained without effective and smooth co-operation between buyers and sellers. These points have been raised merely to indicate some of the areas where increased co-operation may make possible greater efficiency in the larger volumes of trade of future years.

A recent study pointed out that since 1939 advertising is one of the few business costs which did not rise steeply in comparison with other industrial cost trends. In an authoritative survey of where the business dollar goes, it disclosed that corporate income taxes led the rise, followed by labor costs and then material costs. The costs of transportation and advertising rose least of all.

Advertising, therefore, has not had a lush bonanza era during the last decade, but has in fact maintained a high rate of productivity in service and performance.

There can be no doubt that the field of co-operation of industrial purchasing and advertising will find many avenues of mutual interest in the next decade.

Industrial Admen Look At the Future

(Continued from page 13)

advancement of the science of industrial advertising and marketing. The Association was formally organized at the 1922 convention of the Associated Advertising Clubs of The World in Milwaukee.

Major Achievements

G. D. Grain, Jr., publisher of Industrial Marketing and Advertising Age and N.I.A.A. Historian sums up the group's major achievements:

—Winning recognition of the importance of advertising by companies selling to industry, and the adoption of advertising as a policy by most of the leading manufacturers of industrial materials, equipment and supplies.

—Development of a better concept of industrial marketing, with close integration of all advertising, promotional and sales efforts.

—The adoption of market and advertising research as basic tools in the establishment of sound plans for the promotion of industrial sales.

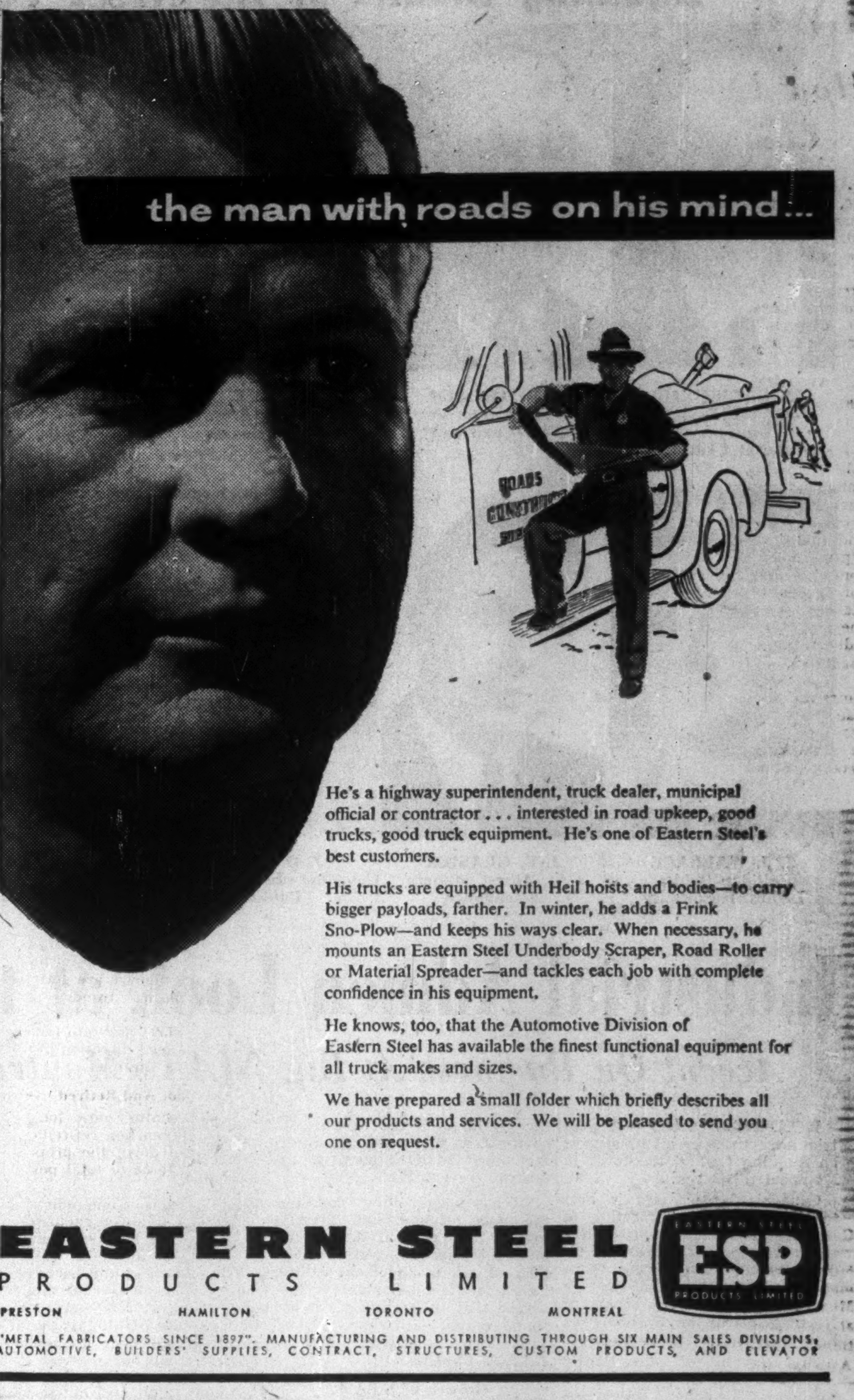
—The study of industrial distribution methods as a means of assuring effective promotion directed to dealers and distributors of industrial products and their salesmen.

—Applying the successful techniques of advertising to the important area of communications represented by public relations including reaching employees, communities, stockholders and suppliers with the story of each industry and its contribution to the economy.

—Developing the professional skills of advertising practitioners working in the industrial field, and increasing the interest of advertising agencies in servicing industrial accounts.

—Stimulating the interest of industrial publications and other media in the proper organization and presentation of the facts regarding their markets, editorial services, circulation and other data needed by industrial advertisers in the evaluation and the use of media.

—Building increased stature for the men responsible for industrial advertising and sale promotion, so that they may contribute their special talents and points of view at the policy-making and management level.



the man with roads on his mind...
ROADS
CONSTRUCTION

He's a highway superintendent, truck dealer, municipal official or contractor . . . interested in road upkeep, good trucks, good truck equipment. He's one of Eastern Steel's best customers.

His trucks are equipped with Heil hoists and bodies—to carry bigger payloads, farther. In winter, he adds a Frink Sno-Plow—and keeps his ways clear. When necessary, he mounts an Eastern Steel Underbody Scraper, Road Roller or Material Spreader—and tackles each job with complete confidence in his equipment.

He knows, too, that the Automotive Division of Eastern Steel has available the finest functional equipment for all truck makes and sizes.

We have prepared a small folder which briefly describes all our products and services. We will be pleased to send you one on request.

EASTERN STEEL PRODUCTS LIMITED

ESP
EASTERN STEEL PRODUCTS LIMITED

PRESTON HAMILTON TORONTO MONTREAL

"METAL FABRICATORS SINCE 1897". MANUFACTURING AND DISTRIBUTING THROUGH SIX MAIN SALES DIVISIONS, AUTOMOTIVE, BUILDERS' SUPPLIES, CONTRACT, STRUCTURES, CUSTOM PRODUCTS, AND ELEVATOR

THE BELL TELEPHONE COMPANY OF CANADA
SERVICE

Symbol of Service in Communications

Our 75 years of experience exclusively in the field of communications puts at the service of business, industry and government the know-how, the resources and the men to engineer, build, install and maintain communications systems suited to every need.

SPECIAL COMMUNICATIONS SERVICES SUPPLIED BY BELL

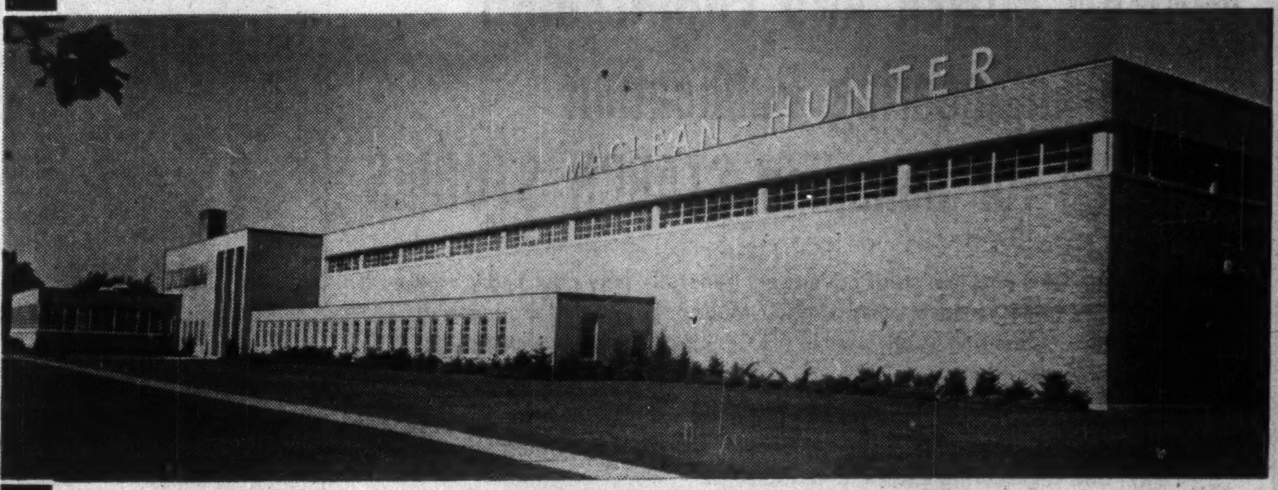
BELL TELETYPE
INTERCOMMUNICATING AND PRIVATE LINE TELEPHONE SYSTEMS
MICROWAVE RADIO RELAY SYSTEMS
CHANNELS FOR TELEMETERING AND SUPERVISORY CONTROL
MOBILE TELEPHONE SYSTEMS
SPECIAL LONG DISTANCE TELEPHONE SERVICES

THE BELL TELEPHONE COMPANY OF CANADA

Three-quarters of a century exclusively in the communications field

Maclean-Hunter

Commercial Printing Division



TO SELL IN CANADA . . . have your catalogues and other printed material produced by experienced craftsmen who serve and understand Canadian buyers.

Maclean-Hunter gives you fast, dependable printing service — the finest work at reasonable prices.

JUMP YOUR SALES . . . by displaying your merchandise in catalogues or other sales literature printed by Maclean-Hunter.

Write or telephone:

MACLEAN-HUNTER COMMERCIAL PRINTING DIVISION
481 University Avenue, Toronto 2 • EMpire 3-5981
1242 Peel Street, Montreal 2 • UNiversity 6-9841

Two Business Essentials: Advertising and Forecasting

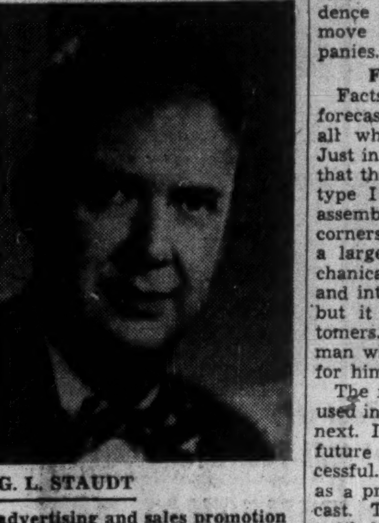
How Executive 'Nonthinking' Can Upset the Applecart

Advertising helps to create the confidence that keeps business moving on an even keel, John G. Forrest, New York editor, told the annual convention of the National Industrial Advertisers Association in Montreal this week. And the forecast for business is: "Still good." Here is a digest of his address:

By JOHN G. FORREST,
Financial and Business Editor, New York Times

Advertising can play a major role in building the American-Canadian economy. We seem to have learned pretty well how to produce essential raw materials and make finished goods of all types—industrial heavy goods, consumer durables and consumer soft goods. What we have not learned very well is how to get these products into consumption. Advertising holds the key to this roadblock.

Some executives are guilty at times not of bad decisions, but of bad basic thinking. A better word for it probably would be "non-thinking!". A big Chicago retailer has had three consecutive years of losses. At the annual meeting a few weeks ago, the president, who had taken office only late in April, told of how he was coping with the problem.



G. L. STAUDT

advertising and sales promotion manager, Harnischfeger Corp., Milwaukee, this week was elected president of the National Industrial Advertisers Association.

Two lesser executives were let out and the former president, now chairman of the board, had taken a cut in salary from $65,000 to $25,000. And, said the president, if there had been $325,000 additional gross margin and advertising had been cut by $525,000, we practically would have eliminated our loss."

Do you believe him? Don't! He is using movable facts. If the advertising expenditure had been cut by that amount, it is quite likely that the gross margin would have been reduced, too. It is not news to you, I am sure, that advertising expenditures have been known to produce a direct result in the form of sales. Yet here is a man who wanted to increase sales and also to reduce efforts to get those sales!

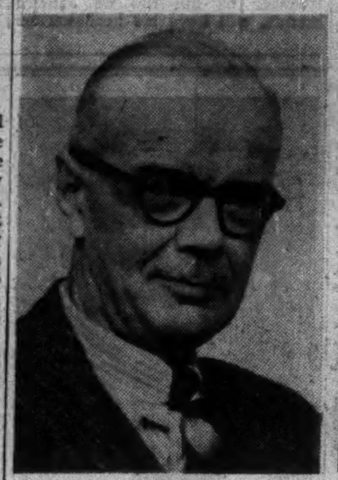
That decision in Chicago, and similar decisions by non-thinkers elsewhere, hurt all industry, for this reason: Advertising for that company would have done a lot more than move that company's goods. It would have helped to create an atmosphere of confidence that would have helped move the goods of many companies.

Facts for Forecasting

Facts are plainly at hand for forecasting, easily available for all who care to look at them. Just in passing, there is one thing that the serious newspaper of the type I serve cannot do. It can assemble the facts daily from all corners of the world; it can put a large staff, editorial and mechanical, to work summing up and interpreting and arranging—but it cannot read for its customers. That is something the man who gets the paper must do for himself.

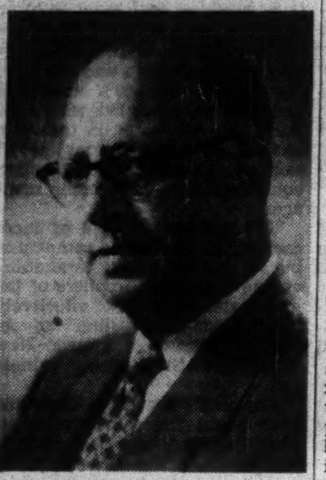
The facts are the raw material used in predicting what will come next. I think that forecasting the future can never be wholly successful. This is said, by the way, as a preface to just such a forecast. The reason the prediction is likely to turn sour is that conditions do not stop cold when a forecast is made.

One of the most relevant of all long-term factors for such forecasting, of course, is population.



STANLEY GLOVER

of Ferres Advertising Ltd., Hamilton, has been elected NIAA vice-president for Canada.



FRANK WRIGHT

of Cockfield - Brown & Co., Montreal, is completing his term as Canadian vice-president, NIAA.

All producers and all consumers are people. Their changing numbers affect both the size of the labor force and the total consumer demand. Within limits, population can be forecast with great accuracy.

Actual forecasting of population will interest few of us here, however, except as a starting point for forecasts of what the population will produce and will consume. We need to look at the future population in terms of how it is constituted—how many workers, how many working women, how many housewives, how many go to school, and so on. And here we must note that we are getting away from natural trends— today's five-year olds are the ten-year-olds of 1959—and into forces that have changed direction more than once in a lifetime.

At School And Retired

For half a century now, longer schooling and earlier retirement have scissored down the proportion of labor force to total population.

So, too, there is no one indicator that might be followed exclusively in forecasting business trends. Perhaps one of the most widely followed statistical indices used by the U.S. economists is Gross National Product—commonly referred to as the GNP. This measure of the value of all goods and services covers a wide variety of items produced and consumed in the United States. Its components, and there are many, are adjusted for seasonal variations.

But here again in using this yardstick we find that care must be exercised in comparing the figures with prior years because shrinkage of the dollar in recent years tends to distort the comparison.

Another widely followed statistical index—and properly so—is the Federal Reserve Board index of production. While such production employs only one in four of the nation's working force, its function is central. All other activities are attuned to it, and it is, along with GNP, one of the points from which we must start to examine, and hence to be able to forecast, economic activity in general.

What's Left To Spend

Another important figure is that of personal income — the amount of dollars that consumers receive. Of even more value, it would seem to me, is disposable personal income — what people have to spend after taxes. This item will fluctuate for many reasons, but the rise and fall in income taxes have a dominating influence on such an index.

However, there is nothing to stop us from making certain observations on what facts there are and drawing certain conclusions.

Because the Canadian economy and the United States economy are tied very much together, what affects one affects the other. In the U. S. we appear now to have about reached the lowest point of an economic readjustment caused by the switch from war to uneasy peace. Business seems to be leveling off and some of my associates are willing to go so far as to predict—I won't say forecast — it might even make some cautious advances by fall.

And they have index figures to back them up. Unemployment, for one thing. It rose from a post World War II low of 1,162,000 last October to 3,725,000 in March. It has begun dropping back again, chiefly because of a spring pickup in farming, building and buying. Of course, the cuts we have recently experienced in corporation and excise taxes — as well as lower personal income levies— have helped.

But no tax cut could spur volume to that extent if there was a depression psychology abroad in the land. It can be stated definitely, based on my observations and talks with business executives, that those who hold such negative views are few.

Most businessmen I have talked with are confident and by their actions are creating confidence.

Adding up all these facts and coming to a conclusion is not difficult. The only observation is that something else might take place — tomorrow — that might throw them all off. But I think it would be a cataclysmic event that would disturb the general trend indicated by these facts.

Last year the American Gross National Product, the total value of all goods and services produced, was $367 billions, a rise of 5% over 1952. Perhaps 1% of this was caused by an increase in prices. Personal income, also was 5% over 1952. The total was a staggering $284 billions. What was left after the tax man had done his work came to $248 billions.

It looks as if there will be a slide-off from 1953. The dip is already in progress, but signs are plentiful that it is slowing and leveling off. The chances are good that 1954's record will be a record, second only to 1953. It is a very small price to pay for a cessation of bloodshed.

COMPANY REPORTS

Power

INTERNATIONAL POWER CO. consolidated net profit for 1953 was $5,372,988, 24% up from 1952 consolidated net of $4,325,207.

Construction expenditures for additions and improvements to properties of consolidated subsidiary companies amounted to $3,170,361. It is estimated that capital construction expenditures in 1954 will be substantially greater, reports President F. Krug.

In January 1954, election was made under Section 95a of the Income Tax Act to be assessed and pay the special tax on the amount corresponding to the total share dividends paid in 1953.

Figures converted from foreign currencies have been shown at par of exchange, except for one subsidiary where they were converted at government official rates.

Accounts of the Monterey Railway, Light & Power Co. are not included in the consolidations. Its shares and debentures are included in "Investment in subsidiary companies—not consolidated" in the balance sheet.

CONS. INCOME ACCOUNT
(In Canadian currency at par of exchange)

Years Ended Dec. 31:	1953	1952
Net earnings	$6,610,752	$5,563,165
Less subs. dividends	38,571	39,105
Depr. & ren. res.	1,156,493	1,120,944
Cont. & gen. res.	174,977	141,408
Min. int. in surp.	86,710	89,125
Net income	5,154,001	4,172,583
Add: Other inc.	300,154	214,600
Less: Misc. exp.	81,167	61,976
Net profit	5,372,988	4,325,207
Less: 1st pref. divs.	218,215	313,500
Common divds.	469,680	469,680
Surplus for year	4,685,093	2,542,027
Earnings per Share▲ and Dividend Record:		
5½% pref.: Earn.	$147.21	$98.30
Paid	5.50	5.50
Common: Earned	26.34	20.50
Paid	2.40	2.40

▲Based on capitalization at Dec. 31.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1953	1952
Cash & treas. bills	$4,378,792	$2,103,458
Accts. rec., less res.	1,644,866	1,423,271
Inventories	1,705,643	1,873,315
Total curr. assets	7,729,301	5,400,044
Misc. assets	187,938	136,406
Inv. in subs.	581,513	558,191
Fixed assets	35,029,272	32,452,423
Total assets	43,528,024	38,547,064
Bank loans	311,219	503,616
Accts.; tax., etc. pay.	1,648,392	1,973,665
Divd. payable	117,420	117,420
Total curr. liab.	2,077,031	2,594,701
Trust acct.	47,537	47,537
Depreciation	10,314,189	9,381,555
Other res.	2,863,901	2,372,686
Min. int. of sub.	811,892	819,687
Capital stock	7,281,750	8,031,750
Tax pd. undist. inc.	1,290,019	624,316
Capital surplus	7,972,448	3,732,183
Earned surplus	10,869,257	10,942,649
▲Not including accounts of Porto Rico Power Co., in liquidation:		
Working capital	5,652,270	2,805,343

N.S. OFFERS HELP TO PROSPECTORS

Interested concerns given every help by N. S. Mines Department, whose diamond drills helped investigate "promising finds" base metals in Inverness County. Department of Mines, Halifax, N.S.

YOURS FREE!
HUNDREDS OF NEW 1954 PROFIT SOURCES

Today Get this Treasury of "New Products & Services"

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SERVICES

Completely New And Expanded 1954 Edition contains Latest News For Alert Profit Seekers

This FREE new 1954 edition of "New Products and Services" lists and describes more than 1,000 new ideas, products, processes and services which may be the top money makers of tomorrow. Now on the market or about to be —for you to use, sell, produce or compete with. New book contains prices, hundreds of illustrations and is indexed for easy reference.

It gives you complete advance information so you can act ahead of others. Tells about the all-time record crop of new products—from gadgets to the latest materials—now being readied for marketing. Of the hundreds already available. Of the many more hundreds to be ready soon.

• • •

Get your copy now, then keep posted on other new products and services as listed and described daily in The Journal of Commerce. This money-making book will be sent you FREE with trial subscription to The Journal of Commerce, 80 issues for only $5.87.

The New York JOURNAL OF COMMERCE,
Box No. 327, Postal Station H., Montreal, Que. Canada.
Please send me my copy of the new 120-page, profusely illustrated, 1954 edition of "New Products and Services" which you send FREE with trial subscription . . . 80 issues for only $5.87 . . . to The Journal of Commerce. My $5.87 remittance is enclosed.

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Company ....

Address ....

City .... Prov. ....

FP-19

ENJOY
Player's
NAVY CUT CIGARETTES MILD
Canada's Mildest.
Best-Tasting Cigarette

THE FINANCIAL POST

Established 1907.
Published by Maclean-Hunter Publishing Co. Ltd., 481 University Ave., Toronto 2. EM. 3-5981.
Issued weekly, Thurs. (dated Sat.). Closing date, Toronto, regular positions, Fri. pre., preferred positions, Thurs. pre., feature sections, Wed. pre.
Single copy .20; per year 6.00.
Ag. Comm.—15%; c.d. 2%—15th mo. fol. date of invoice.

General Advertising
Rate Card No. 14. Issued July 11, 1952. In effect Oct. 18, 1952. Confirmed Mar. '54.
Publisher reserves right to make such revisions in rates on this contract as may be necessitated by economic conditions, on 90 days notice. If a rate revision is made under this clause, and is not accepted by advertiser, the latter may cancel his contract without short-rate adjustment.
Advertiser and adv. agency agree that publisher shall be under no liability for failure for any cause to insert any advt.

LINE RATES:

Transient, per line	.50
1,000 lines	.48
2,000 lines	.45
3,000 lines	.42
5,000 lines	.38
10,000 lines	.37

SERIES RATE:

	1 ti.	12 ti.	26 ti.	52 ti.
Per line	.50	.45	.42	.38

Rates based on space used within one year from date of first insertion.

Classifications
Professional cards, per inch, per year 156.00
Educational — General rates less 25%.

Minimum Depth R.O.P.—14 lines.

Reading Notices, Portrait Cuts, etc.
Reports of company meetings, when run as paid advertising, will be inserted at contract rates. Regular news headings and style of editorial cols. not permitted. Portrait cuts or other illustrations may be run as advertisements subject to these provisions: Cut and underline to be separated from news cols. by cut-off rule; Cut to be incorporated with other advertising on page; Cut lines to be different typographically from editorial style. No other paid advertising simulating typography or style of editorial cols. will be inserted unless marked "Advertisement."

Position Charges
Preferred position—25% to 50% extra.

Mechanical Requirements
Col. width: 2".
Col. depth: 21" (295 lines).
No. of cols.: 8.
Halftone screen: 50 to 65. Proper etch .005 (5 thousandths inch deep).
100% reverse advts. and vignettes not accepted.
Mats accepted. Cuts unmounted.
All engravings, electrotypes, etc., may be destroyed by publisher if not demanded within one year after last used.
Newspaper format—no stitching.

Personnel
Editor: Ronald A. McEachern.
Adv. Mgr.: Austin A. Weaver.

Branch Offices
Montreal: 1242 Peel St. UN. 6-9841.
New York: Maclean-Hunter Publishing Corp., Guaranty Trust Bldg., 522 Fifth Ave. Murray Hill 2-7888.
Gt. Britain: H. F. Charles, Maclean-Hunter Ltd., Wellington House, 125 Strand, London, W.C.2. Temple Bar 1616.

Circulation
Report based on A.B.C. publisher's statement 6 months ending 31-12-53.
Average total paid circulation 48,945
Average total distribution 50,195
Total net paid Nov. 7, 1953 issue .. 49,781

Business Analysis:
Mfrs. 8,283; distributors 5,452; service organizations 4,968; bankers 3,047; stock brokers & investment dealers 1,670; govt. (incl. 101 commissioned officers in armed services) 1,553; insurance 1,497; trust & loan 334; professional 5,902; misc. 4,761; awaiting classification 2,689.

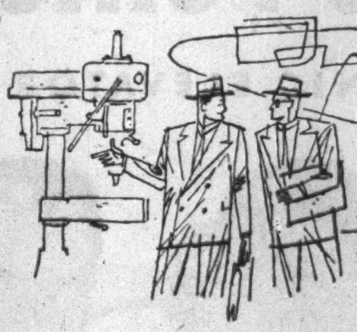
Geographical Breakdown:
Geographic analysis of total paid circulation for Nov. 7, 1953 issue. Total paid circulation of this issue was 1.71% greater than average total circulation for period.

Nfld.	315	Alta.	2,833
N. S.	2,245	B. C.	5,030
P. E. I.	162	N. W. T.	29
N. B.	1,364	Yukon	17
Que.	7,667	Br. Poss.	504
Ont.	20,511	U. S.	4,586
Man.	3,420	Foreign	378
Sask.	1,603	Misc.	137

Data from Canadian Advertising May-June, 1954

Do you sell to manufacturers in Canada?

Sell Canada's most influential buyers through The Financial Post



More than 20% of all Post subscribers are engaged in manufacturing — ABC publisher's statement for 6 months ending December, 1953. Here are their positions:

Owners, partners	5.1%
Presidents, vice-presidents, secretary-treasurers, directors	40.3
General managers	11.4
Sales, advertising, purchasing, plant management executives, etc.	30.1
	86.9%
Others	13.1
	100% in manufacturing

Source: Subscriber Identification survey by Gruneau Research Limited.

DO YOU SELL . . .

Financial, Banking, Insurance Services?
69.4% of all Post subscribers in business buy or influence buying of such services.

Advertising, Marketing Services?
41.5% buy or influence buying.

Office Supplies and Equipment?
38.9% buy or influence buying.

Cars, Trucks and Accessories?
24.4% buy or influence buying.

Plant Equipment?
23.0% buy or influence buying.

Building Materials and Equipment?
21.5% buy or influence buying.

Finished Products for Resale?
21.5% buy or influence buying.

Plant Expansion?
20.8% buy or influence buying.

Heavy Machinery?
17.4% buy or influence buying.

Lubricants and Fuel Products?
15.6% buy or influence buying.

Heating Equipment and Controls?
15.2% buy or influence buying.

(Most buy or influence buying of more than one)

Source: "Report on Canada's Biggest Buyers" —Post survey by Gruneau Research Limited. A copy is yours for the asking.

Get to the men who buy! Sell them through

The Financial Post
Canada's foremost business newspaper
481 University Ave., Toronto 2 • 1242 Peel St., Montreal 2

U.S. Aluminum Expansion Stalled—Kitimat May Grow

MONTREAL (Staff)—Will the U. S. Government's reported decision to drop its plans for pushing further expansion of domestic aluminum capacity mean a boost in Aluminum Co. of Canada's production facilities at Kitimat?

Company officials—faced with some major uncertainties—were making no predictions this week, but the U. S. decision, still not officially announced by Washington, appeared at least to have cleared the air a bit.

Reports from the States were that the Office of Defense Mobilization has decided not to grant further financial aid in an effort to get its stalled "third-round" expansion in motion again. Under this plan, three companies were to build new capacity totaling 214,000 tons annually. But two firms ran into financing difficulties and the third, thought to be going ahead some time ago, is still not under way.

Supply Easier

Reasons advanced for O.D.M.'s decision were that a re-examination of defense requirements revealed that not as much aluminum would be needed as thought originally, and that aluminum is now in free supply, thanks partially to a new deal for Canadian metal signed last year with Alcoa and Kaiser.

Here's what makes it tough to predict Aluminium Ltd.'s next move:

One uncertainty is the chance of a long-term deal for Canadian aluminum with Olin Industries Inc., one of the three firms involved in the third-round.

Last year negotiations started between Olin and Aluminium Ltd. for sale of 60,000 short tons annually. This deal was thought to depend on the U. S. Government's third-round decision . . . if the U. S. decided against it, Olin would buy from Canada.

But when the U. S. court threw out the Justice Department's petition to have Aluminium Ltd.'s contract with Alcoa canceled, it threw in what might be a monkey wrench. This specified that Alcoa offer Olin 40,000 tons a year 1954-57 and 20,000 tons in 1958, with the offer to remain open for 90 days from April 23.

Effects On Canada

There's been no news yet from Olin on whether it will take up the Alcoa offer, due to expire next month. If it does, this could kill Aluminium Ltd.'s possible deal, which is still on the fire. If it doesn't, the Canadian company might get a major addition to its long-term order book.

Aluminium Ltd.'s negotiations with Olin were based on a longer-term arrangement—21 years, starting in 1955. This might be more attractive than the four-year Alcoa offer involving less metal. Presumably there would be no price advantage either way, since Aluminium Ltd. sells at the U. S. market price.

One thing is sure: Olin is getting into the aluminum fabricating business in a bigger way, and will need primary metal from somewhere.

Another big question-mark is Washington's stockpiling policy. How big a reserve the Government already has, what it wants and how much it sets aside each quarter are closely kept secrets. It may feel that, with the much easier supply situation, there'll be ample metal for stockpiling. But if it needs more than is available from present U. S. facilities, Canada is the only other present source.

Some in the U. S. Government have been pressing to have Canadian metal purchased for U. S. mobilization. Whether this will happen only time will tell.

The World Market

Another factor to be considered in any Kitimat expansion plan, of course, is Aluminium Ltd.'s estimate of the world market picture over the next few years. If there's to be a surplus supply, sales under new contracts might be filled with existing capacity. But if aluminum is going to be tight, then new deals would mean expansion.

For months now, many markets have been somewhat soft. But the company is still selling close to its capacity production and demand has picked up lately in some areas, including the U. K.

Aluminium Ltd., of course, would like to expand Kitimat as rapidly as possible above the first stage, 90,500 tons capacity. But until some of the present uncertainties are cleared up, it's making no predictions.

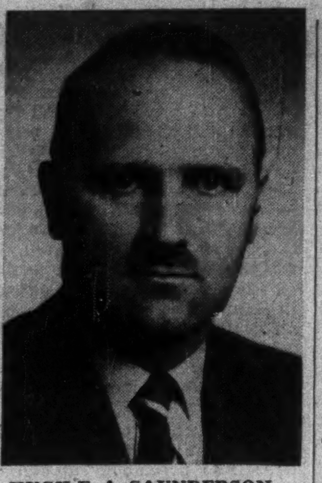
German Engineers Aid Niagara Plan

MONTREAL (Staff) — German engineering will help keep Niagara Falls beautiful.

Canadian Vickers Ltd. is working in close co-operation with Maschinenfabrik Augsburg - Nuremberg A.G. (M.A.N.) Hessen, in the installation of huge sluice gates, part of the "remedial works" project of the Niagara Falls power development scheme.

The 1,300 ft. long, 10 ft. 6 in. wide units will be the largest ever made in Canada and will be sunk into the river above the falls as a section of a weir to adjust water flow, as well as to provide an intake for Ontario Hydro's generating plant.

The work is being done to obey a 1950 treaty between the U. S. and Canada, under which no diversion of water may be made for power purposes by either country that will reduce the flow over the falls to less than 100,000 cu. ft. per second between 8 a.m. and 10 p.m. during most of the year.



HUGH E. A. SAUNDERSON

has been elected president, Province of Quebec Insurance Brokers Association. Mr. Saunderson is president of T. L. H. Saunders & Sons Ltd., Montreal.

Sask. Expands Crown 'Phones

From Our Own Correspondent

REGINA—A $7.5 million construction program this year will bring the capital assets of Saskatchewan Government Telephones to the $50 million mark.

Included in the program, largest in a series of capital expansions which have doubled the capital assets of the provincial Crown corporation, are building projects in 10 Saskatchewan centres.

Regina has the biggest single project, a $1.8 million exchange building which will include equipment for 20,100 lines to be cut over the next year. Including expansion of the city's second exchange, the whole project will cost $3.8 millions.

Expansion is also under way in the province's two other major cities. At Saskatoon, a $1.2 million exchange building is being constructed and at Moose Jaw, a $600,000 addition is being built to the present exchange.

After this year's program, two provincial centres will join the 18 Saskatchewan cities and towns which now have automatic telephone dialing. Two more will be added in 1955.

Last year the government telephone system had revenues of $10 millions of which $1.8 million was profit to be put back into capital projects. The remainder of the expansion program is financed by borrowing and advances from the provincial treasury.

There are now some 105,000 subscribers connected to the government telephone system which serves urban communities and maintains long distance service in Saskatchewan.

Industrial Advertisers Plan Bigger Budgets For 1955

MONTREAL (Staff)—The advertising fraternity thrives on enthusiasm.

This week in Montreal, at the annual conference of the National Industrial Advertisers Association, there was good reason for it: The increasingly competitive pace of North American business will express itself in higher advertising budgets for next year.

At least that was the opinion of the majority of 1,200 delegates to the four-day sessions being held in Canada for the first time since 1941. The meeting is being attended by the continent's top industrial advertisers, publishers and agency executives.

A mood of continued buoyancy for the advertising industry highlights all the speeches; pervades the many "off-the-cuff" sessions along hotel corridors.

To pin-point an expected percentage rise in advertising space-buying was difficult. That will come later in the fall, when details of the 1955 company budgets will be worked out.

"We'll be spending more for every phase of promotion next year, but even if we didn't, you'd find total linage up because of the increasing number of companies joining our trade," one U. S. machine tool manufacturer told The Post.

"The volume of industrial advertising in Canada and the U. S. has jumped over 100% since 1946 and last year totaled $800 millions. You can bank on that rate of increase continuing into 1955," said a Canadian construction equipment firm advertising manager.

"It's not only a case of more competition and more companies, but a rather great awakening among industrial suppliers of the great sales potential of effectively carried out advertising," an account executive of a large New York advertising agency pointed out.

And that's the story. Over and over again the same comments from the men who know what's ahead.

Official welcome to the delegates was extended by James Sinclair, Minister of Fisheries, who talked about U. S.-Canada relations.

MANIWAKI, QUE. has sold $46,500 3½% bonds due 1954-64 and $61,500 4% due 1965-73 to Desjardins Couture Inc. at 97.45. Net cost 4.17%. Proceeds for road works. Net funded debt Dec. 31, 1953, $433,739. Population 4,500.

Royal Bank Promotes Two Officers In Brazil

A. M. Christie has been appointed supervisor of Brazilian branches of the Royal Bank of Canada, it is announced. Mr. Christie, formerly manager of the Rio de Janeiro branch, will have his headquarters in that city.

New manager at Rio will be R. J. Rogers, since 1950 assistant manager at Sao Paulo. S. McAlister, supervisor of Brazilian branches since 1950, is retiring on pension.

keeping Canadian OIL on the MAP
NICKLE MAP SERVICE LTD.

ANNOUNCEMENT

MR. BAIRD

MR. WOOD

MR. HOPE

C. W. Cassels, president of the N. Slater Company Limited announces the appointment of R. G. Baird as Chief Engineer, S. T. Wood as Works Manager, and A. E. Hope as Purchasing Agent. Mr. Baird is a B.Sc. (Elect.) of University of New Brunswick and is a member of the Engineering Institute and a P.Eng. (Ont.) Mr. Wood was formerly associated with A. V. Roe Canada Ltd. as Technical Supervisor. Mr. Hope was previously Assistant Superintendent before joining the Purchasing Dept.

CHEVROLET
Highest Compression Engines
IN THE LOW-PRICE FIELD
Road-Test it!
Street-Test it! Hill-Test it!
PROVE TO YOURSELF THAT CHEVROLET GIVES YOU THE BEST IN PRICE, ECONOMY PERFORMANCE!
SEE YOUR LOCAL CHEVROLET DEALER

"Electronic Politeness" that can't be matched

OTIS ELECTRONIC ELEVATOR DOORS DRAMATIZE OTIS ELECTRONIC LEADERSHIP

The Otis Electronic Door is the crowning achievement in the field of the Operatorless Elevator. Its unmatched "electronic politeness" is available only with AUTOTRONIC elevators. The successful development of this door insured the ability of operatorless elevators to move great masses of people in busy buildings with the greatest degree of safety.

Only AUTOTRONIC elevators have car and hoistway doors with an *electronic zone of detection*. It is a proximity zone that extends in front of the leading edges of both the car and hoistway doors up to shoulder height. Naturally, it is invisible to the passengers. (See phantom drawing at the left.)

No time is lost. The doors close promptly after each stop. If the *electronic zone* detects a person's presence, the doors politely reverse —*even before they can touch the passenger*. But if there is no chance of passenger interference, the doors continue to close without unnecessary car delay.

This *zone of detection* politely helps to prevent passengers from delaying the elevator, too. If a talkative passenger lingers overlong in the doorway, a buzzer sounds and the doors slowly, firmly—but politely nudge the passenger out of the doorway so the car can proceed on its way.

And most important from a building manager's viewpoint, this *zone of detection* is on duty all of the time the elevators are in operation. Its electronic reflexes never tire or slow down. It is a most vital point of AUTOTRONIC elevatoring. Its unmatched superiority makes possible uniformly fast, regular service in Otis automatic passenger elevators.

Otis AUTOTRONIC elevatoring saves up to $7,000 a car, each year. It is suitable for office buildings, hotels, hospitals, banks, and department stores. Visit a new or modernized installation. Ask any of our 25 offices for details.

**Otis Elevator Company Limited
Head Office and Works:
Hamilton, Ontario**

Otis COMPLETELY AUTOMATIC AUTOTRONIC® ELEVATORING

THE

WABASSO COTTON COMPANY

LIMITED

ANNUAL REPORT

DIRECTORS

W. J. WHITEHEAD, President
NORMAN J. DAWES, Vice-President
HON. P. H. BOUFFARD, Q.C. HUGH MACKAY
WM. F. MACKLAIER, Q.C. W. TAYLOR-BAILEY
G. H. THORNTON, O.B.E.

Directors' Report to the Shareholders

GENTLEMEN:

The financial position of the Company at 1st May 1954 and the results from the operations for the year ended that date are shown by the accompanying Financial Statements.

Profits for the year as shown in the Profit and Loss Account amounted to $225,727.47 and compare with profits last year of $358,748.31. This again reflects the continuing difficulty the industry as a whole is experiencing.

The Company's plants are operating efficiently, machinery and equipment are, as far as practical, being kept up to date and adequate provision has been made for depreciation and obsolescence.

It is with very sincere regret the Directors report the death, on the 15th February last, of Charles Ross Whitehead, President and founder of the Company. Much of the Company's successful development was due to his devotion and surpassing energy. His loss is greatly felt by all who were associated with him.

Mr. W. J. Whitehead, Managing-Director, was elected President and Mr. Wm. F. Macklaier, Q.C., was appointed a Director to fill the vacancy on the Board.

The Directors wish specifically to emphasize and record their appreciation of the great effort that is being made by the officers, staff and other employees to successfully meet a difficult competitive situation.

Submitted on behalf of the Board of Directors,

(Signed) W. J. WHITEHEAD,
President.

THREE RIVERS, Que., 20th May 1954.

BALANCE SHEET

AS AT 1st MAY 1954

ASSETS

CURRENT ASSETS		
Cash on Hand and in Banks	$ 35,110.35	
Government of Canada and Provincial Bonds with interest accrued, less reserve (Approximate Market Value $2,265,434.25)	2,065,171.75	
Accounts and Bills Receivable, less reserves	999,550.45	
Inventories as determined and certified by the Management—Raw Cotton partly manufactured and manufactured stock, at cost or market value whichever is the lower, less reserves — Supplies and Chemicals at average cost and not over replacement value	2,749,476.23	$ 5,849,308.78
PROPERTY		
Real Estate, Buildings, Plant, Machinery, etc. at cost, less amounts written off	17,353,919.80	
Less: Depreciation and Obsolescence provided	13,208,218.90	4,145,700.90
INVESTMENTS		
Wholly Owned Subsidiary Companies (Estimated realizable value as of this date $926,852.10)		222,160.26
DEFERRED CHARGES		
Unexpired Insurance, Prepaid Taxes, etc.		143,767.06
		$10,360,937.00

Signed on behalf of the Board:
(Signed) W. J. WHITEHEAD,
Director.
(Signed) NORMAN J. DAWES,
Director.

LIABILITIES

CURRENT LIABILITIES		
Accounts and Bills Payable	$ 474,259.66	
Banks Loans — secured	1,767,000.00	
Operating Expenses and Accrued Wages	379,172.12	
Provision for Municipal and other taxes	276,090.22	
Debenture Interest Accrued	8,189.04	
3½% Debentures due 1st March 1955	200,000.00	$ 3,104,711.04
DEFERRED LIABILITIES		
For Machinery and Equipment Purchases		30,173.24
DEBENTURES		
Authorized	$ 5,000,000.00	
Issued — Series "A" 3½% Serial Debentures	$ 2,000,000.00	
Less: Debentures matured and maturing 1st March, 1955	800,000.00	
Balance due $200,000.00 annually 1st March, 1956 to 1961 inclusive		1,200,000.00
PROVISION FOR RESEARCH, PLANT IMPROVEMENTS AND CONTINGENCIES		1,000,000.00
PROVISION FOR INCREASED COST OF REPLACING FIXED ASSETS		575,502.76
CAPITAL STOCK		
Authorized — 525,000 shares of No Par Value		
Issued — 349,515 shares fully paid		2,000,000.00
UNDISTRIBUTED INCOME — REINVESTED IN THE BUSINESS. Balance as at 1st May, 1954		2,450,549.96
		$10,360,937.00

MONTREAL, 18th MAY, 1954
Verified as per our report of this date.
(Signed) RIDDELL, STEAD, GRAHAM & HUTCHISON
Chartered Accountants,
Auditors

THE WABASSO COTTON COMPANY, LIMITED

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 1st MAY 1954

Profit for the year ended 1st May 1954 before providing for the undernoted items		$ 1,286,060.92
Revenue from Investments		66,691.47
Profit on sale of Investments		525.00
		1,353,277.39
Depreciation on Property and Plant	$ 735,472.62	
Debenture Interest	54,676.71	
Directors' Fees	6,260.00	
Legal Fees	7,214.06	
Executive Salaries	56,926.53	
Provision for Government Taxes	267,000.00	1,127,549.92
Balance transferred to Undistributed Income		$ 225,727.47

UNDISTRIBUTED INCOME — REINVESTED IN THE BUSINESS

AS AT 1st MAY 1954

Balance at credit 2nd May 1953	$ 2,521,910.24
Add: Balance as per Statement of Profit and Loss for the year ended 1st May 1954	225,727.47
	2,747,637.71
Deduct: Dividends paid	297,087.75
	$2,450,549.96

Shell Refinery Now Completed

Workmen are putting the finishing touches on the latest extensions to the Shellburn refinery of Shell Oil Co. of Canada at North Burnaby, B.C. The latest modernization and expansion program which started in 1952 boosts refinery capacity to 15,000 barrels daily.

Growth at Shellburn first started in 1932 when the first refinery was built with a capacity of 3,500 b/d. Shell took its next forward step there in 1946 when a major construction project raised capacity to 6,000 b/d through installation of thermal cracking and polymerization facilities. Two years later plant was again enlarged, this time to 9,000 b/d.

The latest expansion phase, which started in 1952, was handled by Fluor Corp. The 186-acre site allows for further extensions.

Summer 'Martyrs' Go Modern

Long-Term Promotion Pays Off In Cool-Suit Sales

Conservatively-dressed Canadian businessmen are starting to take some of the martyrdom out of their summertime office attire.

After summers of stubborn wilting in year-round suits, the Canadian is responding to the heavy promotion of synthetic fibre lightweight suits. It took three years of sales campaigning to turn the trick.

It isn't an inexpensive decision, since prices are fairly high ($50-$75 for a good suit). But Dacron and Orlon with wool mixtures offer for the first time a really light, fairly crease-resistant, porous summer suit in wide ranges of color.

The big hurdle in selling Canadians man-made fibre suits is the strong loyalty toward wool, a result of years of educational promotion. This is the first year the "miracle fibre" promotion drive has paid off in sales volume.

Volume sales so far are confined to Ontario, Quebec and Prairie cities in a few men's specialty stores and department stores, "because many retailers are just not willing yet to gamble on the demand," said one department store executive.

One who has taken the gamble, Hobberlins Ltd. in Toronto, reports 95% of the sales right now are in the summer synthetics and mostly to men who have never worn them before.

Sell The Salesmen

"To make sure the salesmen were convinced themselves of what they were selling," said Paul Hobberlin, "we gave each of them a suit, each one of a different mixture of fibres. The results were all good with the Dacron and wool worsted mixture topping the list.

"I travel 50 miles a day to and from work. So the tail edge of my jacket gets crushed. The creases fall out overnight in these summer suits. They don't look at all like the pyjama crushed seersucker cotton suits which many still associate with light suits."

Current prices for the suits run: $39.50 to $42.50 for 100% rayon suits; $39.95 for 55% acetate rayon, 45% viscose rayon; $49.95 for 30% Dacron, 70% viscose rayon; $45 to $60 for pure wool; $60 and up for 55% Dacron, 45% wool worsted.

In addition, there are a few all-nylon cord suits on the market (imported) at $45 and up and the super-luxury but impractical silk shantung at $95 to $150.

This year Dacron is making the headway for the summer suits which (in synthetics) have been limited to the viscose and acetate rayon fibres. The result is more lighter weight clothing which is accentuated by elimination or weight cutting of shoulder pads, stiffeners and shapers.

Suits are now made of fabrics weighing as little as eight ounces per yard, or nearly three quarters of a pound per suit less than was obtainable as recently as 1950 except in the most expensive tropical worsted.

How is the consumer to choose between the confusing welter of new fibres alone and mixed? Which is the best in suits? Independent tests made in the U. S. show that blends are often better because the bad quality of one fibre is made up by the good quality of another.

Fabric Blends

Fifty per cent Orlon or Dacron increases wrinkle resistance when blended with wool or acetate rayon, but it takes 70% to 85% with viscose rayon. Nylon makes viscose rayon suits more durable. Dacron helps wool keep its press in damp weather, gives extra wear and stainproof qualities.

Taken alone, Dacron has a glossiness and transparency, does not absorb perspiration easily and has a tendency to form little pills of fibre when roughed up. The tailors choose the Dacron and wool mixture for comfort and general wearing qualities.

So far Rubin Brothers Ltd. of Montreal are the largest of the Canadian tropical suit manufacturers. But so far most of their synthetics have to be imported from the U. S. (except for the rayons) at a 50% increase in price over what the U. S. manufacturer gets them for.

Tip Top Tailors Ltd. in Toronto, Canada's largest suit manufacturer, along with others are looking forward to the opening of Imperial Chemical Industries' new volume production plant of Terylene (Dacron) in Ontario next year before they get into "summers."

Tip Top says the Canadian market is not ready for the tropicals yet. The promotional work hasn't been done.

"As long as the cloth and labor are as expensive as for the ordinary suit we can't turn out a low-cost summer suit which, because of the short season here, has to be cheap," the firm said.

In the U. S., the company points out, there's summer weather somewhere all the time to warrant year-round production and large volume, so that summer suits retail at $27 and up.

Actually, another reason more manufacturers have not got into the tropical synthetic suit business is the difficulty of working with the materials. Orlon more than Dacron will not stretch at all where wool cloth stretches half an inch for every six inches.

To tailors used to working with "soft" cloths this means new production problems, new methods. The man-made fabrics are high in static electricity, and have a tendency to dull the high-speed cutting knives and form burrs.

Maclean's To Print Every Two Weeks

Increased frequency of publication and an increase in advertising rates are announced by Maclean's Magazine (Maclean-Hunter) for 1955.

Effective with the issue of March 5, 1955, Maclean's will be published every two weeks (26 issues a year) in place of the present semi-monthly basis (24 issues a year).

New advertising rates (rate card No. 36) will represent an average increase of about 4%, against a circulation increase of 8% (to 475,000) since the last rate card, and a circulation jump of 38.8% since 1949. Advertiser benefits include a reduced rate per page per thousand circulation and an increased schedule of discounts for frequency, volume and the use of larger units.

Issues will be dated every other Saturday, with national distribution every other Wednesday, 10 days ahead of the date of issue.

Toronto Metro Indicates Large Debenture Program

Financial results of Toronto's first "federal government" at the municipal level started to take shape with presentation of the draft estimates for 1954 to the council of the Municipality of Metropolitan Toronto.

An increase of 2.20 mills in the tax rate of the City of Toronto is expected as a consequence of the new Metropolitan setup Others of the 13 area municipalities will share in the costs in proportion to their assessments.

Curent expenditures in 1954 by the Metro are estimated at $66.2 millions. Capital expenditures or financing needed this year may reach $36.1 millions. These capital expenditures are on a total capital program, outlined in some detail, totaling $257 millions.

Since it is the Metropolitan Corporation's first year of operation there is no standard of comparison.

Of current expenditures, an estimated $21.3 millions will be met by provincial grants, water charges and sundry other revenues, and $34.9 will be met by levies against the 13 constituent municipalities.

Contemplated capital expenditures include $100.7 millions for roads; $78.5 millions for the sewage system and $51.6 millions for waterworks.

"Though this amount appears to be large, it must be remembered that actual expenditures with respect to the major items will be extended in some cases as far as 1980," says Finance Commissioner G. A. Lascelles in his submission.

"In other words, this amount represents the estimated cost of a long range program envisaged today as necessary to provide adequate services in accordance with the purposes for which the Metropolitan Corporation was established."

Both the $100.7 millions for roads, and $8.5 millions for homes for the aged can reasonably be expected to be eligible for the 50% grants by the Province, he says.

The Metropolitan Corporation now has exclusive power to issue debentures within the Metropolitan area. Requests by area municipalities for debenturing on their own account may be substantial. In view of this, Lascelles is "firmly convinced" of the necessity of keeping a close watch on the timing for undertaking all capital works, in order to permit the lowest possible financing costs on debenture issues."

Over half the gross expenditure is with respect to education. This amount, except for about $102,000 for administration, represents a redistribution of former local costs through the Metropolitan area.

Some $26.1 millions will be paid to local boards of education as maintenance assistance payments, etc. In addition, $4.9 millions will be paid area municipalities to meet education debenture charges. A further sum of $202,000 will be added in connection with debt to be created in 1954 for new school construction.

The Metropolitan Corporation has become responsible for about $12.4 millions principal and interest charges this year on $155.7 outstanding debenture debt issued by area municipalities. Of these charges, the Toronto Transit Commission and wholesale water charges will meet $5.3 millions. The balance includes $2.2 millions for roads and sewage systems.

Ottawa Ends Bargain Butter

The Federal Government this week stopped selling for 55½c lb. butter it bought last year for the 58c floor price.

There was no official report of how much old butter was sold and replaced by new stocks costing 58c. Unofficial estimates from a variety of sources put the figure at 10 million lb.

This means a loss to the Government of $250,000 plus costs of storing.

The Government is estimated to have 20 million lb. of 1953 butter left in its warehouses. An official said the money-losing sale had ended because it was now felt old stocks had been pared to the point where they could be disposed of beginning this fall.

Some members of the butter trade were caught by surprise by the government move. But the official explained that there had been no commitment to sell indefinitely at 55½c.

Despite apparent government confidence, there remains doubt that present surplus butter stocks can be easily cleared. The export market doesn't seem a likely alternative since Canadian prices are far above the world level.

The problem may get tougher yet. If butter production increases this year—as has been predicted—government-held stocks could soar well above the 33 million lb. of old butter held earlier this year.

The Government, however, hopes to sell butter next winter for prices which will compensate for this summer's losses.

Staff Changes

Chartered banks announce the following staff changes.

Commerce:

L. E. ADNAMS, assistant inspector at head office, to be inspector, head office, Toronto.

E. W. ARMSTRONG, manager, Peterborough, to be inspector, head office, Toronto.

J. A. BAIRD, to be assistant accountant, Fort William, Ont.

H. H. BAIRSTOW, organization supervisor at head office, to be personnel supervisor, head office, Toronto.

G. T. BRADLEY, to be assistant accountant, Mount Pleasant, Vancouver, B.C.

F. W. CHAPMAN, manager, Georgetown, Ont., to be manager, Peterborough, Ont.

J. R. COLE, to be accountant, Dundas & Gladstone, Toronto.

W. M. CURRIE, inspector, head office, to be manager, mortgage department, head office, Toronto.

J. HEANEY, manager, Adelaide & Peter, Toronto, to be inspector, head office, Toronto.

Apparel for your verbal emissaries

Shakespeare makes Polonius in "Hamlet" . . . . give the following advice :

"Costly thy habit as thy purse can buy,
But not expressed in fancy; rich, not gaudy:
For the apparel oft proclaims the man."

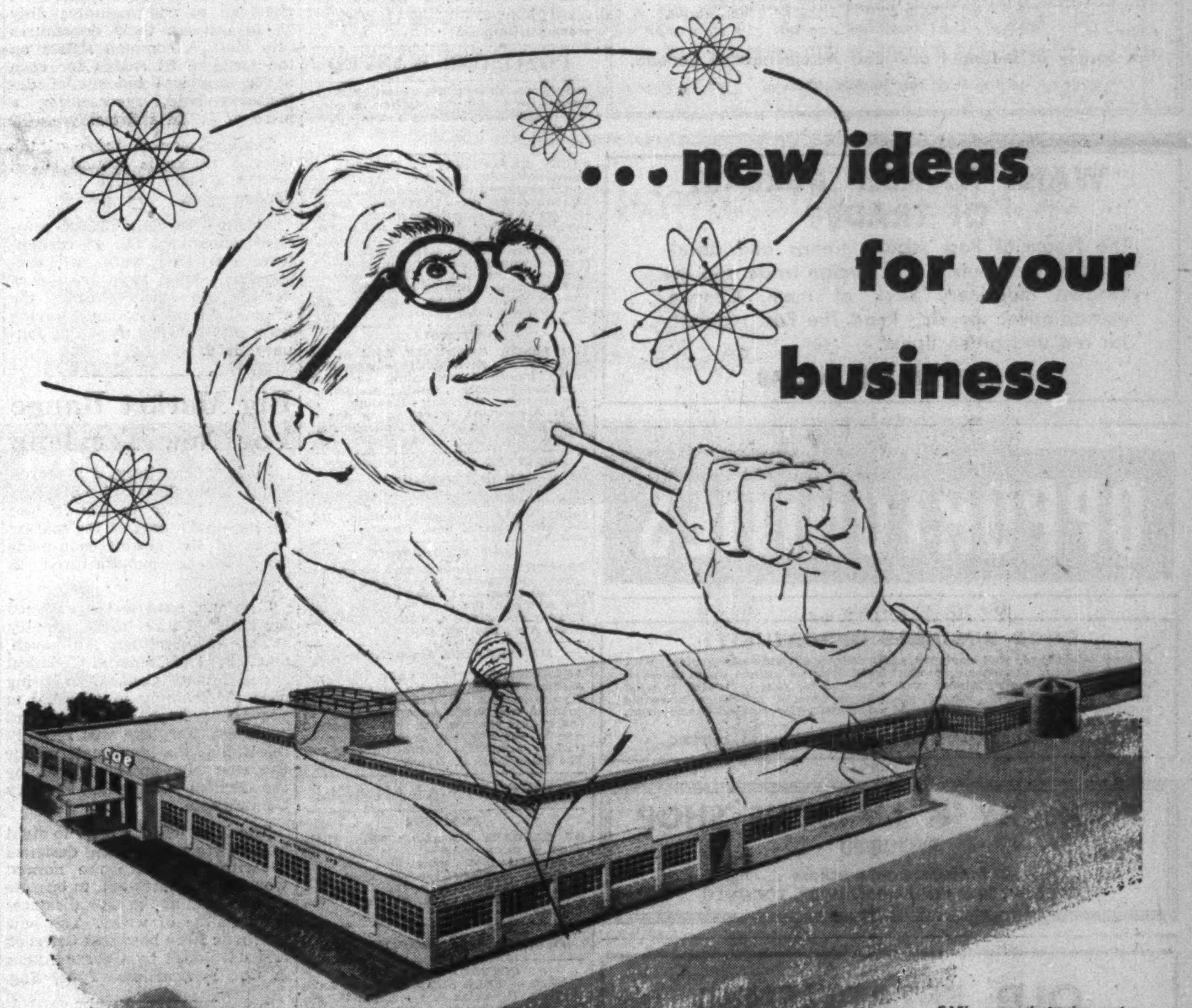
Letters are proxies for your presence. They should be given appropriate clothing. And how could Superfine Linen Record be better described than in the words of Polonius? "Rich, not gaudy." Exactly! This paper is the acme of good taste, expressing distinction without ostentation. The "apparel" of your correspondence inevitably proclaims the man who sends it as his emissary.

For you in "making letters", as for us in making paper, only the best is good enough. So when ordering letterheads or paper for documents intended for posterity, specify . . . .

SUPERFINE LINEN RECORD
Canada's finest all-new-rag bond

Rolland Paper
COMPANY LIMITED
High Grade Paper Makers Since 1882

Head Office at MONTREAL. • Branch Offices at TORONTO, WINNIPEG and VANCOUVER. • Mills at ST. JEROME and MONT ROLLAND, QUE.



. . . new ideas for your business

CAE's new electronics centre located on Cote de Liesse Road, Montreal. "Canada's Most Modern Electronics Plant"

from cae's great new electronics centre

Industrial applications for electronics are being discovered almost daily . . . bringing higher quality, more efficient production.

The combined experience of **cae's** 400 engineers and technicians—more than 4,000 man-years—places **cae** at the genius level on the electronics I.Q. scale.

In the hands of this versatile team; **cae's** great *new* electronics centre, fitted with the most modern instruments and equipment, provides Canadian Industry with the most advanced electronics know-how.

Make it *your* business to take advantage of **cae's** engineering research, design and manufacturing facilities!

CAE manufactures Du Mont Television Sets, designs and manufactures radar, communications and industrial electronics equipment, amateur radio and high fidelity audio systems.

cae Canadian Aviation Electronics, Ltd.
Montreal • Ottawa • Toronto • Winnipeg • Vancouver

2495A

THE LARGEST CANADIAN-OWNED ELECTRONICS COMPANY

CAREERS

This is Canada's national meeting place for executives who have positions to offer, and for those who have ability to offer

BRITISH ELECTRICAL & MECHANICAL ENGINEER

Seeks administrative, sales, or consulting engineering post. Aged 44, family; twenty-two years technical sales of heavy electrical plant, generation with all types of prime mover, distribution, application.

Newly arrived from five years in Brazil as Technical Chief, selling and supervising diesel and diesel-alternator installations.

BOX 589, THE FINANCIAL POST, TORONTO

BUSINESS MANAGER AVAILABLE

Fully experienced, 8 years, in all phases of institutional management. Qualified to integrate building hospitals, hotels and similar buildings. Well versed and thoroughly trained in purchasing, accounting, personnel administration and building maintenance. For further details write:
Box 585, The Financial Post, Toronto

SPECIALISTS IN THE FINDING OF EXECUTIVES AND SALESMEN FOR INDUSTRY

We never accept a fee from an individual

330 BAY ST., TORONTO
PHONE: EM. 6-1068

EXECUTIVE SELECTION CONSULTANTS

WINNIPEG

37 years old, presently employed as General Manager, manufacturing organization, doing million-dollar annual business, wishes to re-locate due to personal reasons. Looking for similar responsible position or in Purchasing, Stock, or Production Planning. Will locate elsewhere.
Box 581, The Financial Post, Toronto

Interesting Position in Accounting Education and Research

Applications are invited for the post of Director of the Educational Foundation of the Society of Industrial and Cost Accountants of Canada.

Candidates must be University graduates in Commerce and Finance with at least five years' business and/or teaching experience in the accounting field.

Position offers scope and opportunity to one interested in education and research.

Replies should give full details as to age, educational and business qualifications and salary expected.

Address to:

The Society of Industrial and Cost Accountants of Canada,
66 King Street East, Hamilton, Ontario.

WANT TO KEEP ABREAST OF TRADE?

The Financial Post reports trends and developments in domestic and foreign trade and the Ottawa machinery back of them. Concise, authoritative, specific. Read The Post regularly for red and green lights.

BY MAIL ONLY $6 A YEAR

OPPORTUNITIES

GOOD BUSINESS OPPORTUNITY

A long established, well equipped sash, door and woodworking plant, with modern plywood department, producing all types of custom made plywood, and with a wood retail lumber yard, is offered for sale, by tender, to wind up Estates. The plant, located in Western Ontario, had sales exceeding $1,300,000 in 1953. It offers splendid opportunity for further development. For information apply to Mr. R. J. Hilliard,

CROWN TRUST COMPANY, 302 BAY STREET, TORONTO, ONTARIO.

FOUNDRY & MACHINE SHOP

REQUIRED
for immediate purchase
BOX 594, THE FINANCIAL POST, TORONTO

OLD ESTABLISHED TRANSPORT BUSINESS

OFFICES IN PRINCIPAL CITIES
SOUTH CENTRAL ONTARIO
ANNUAL VOLUME OVER $850,000.00

FOR SALE AS A GOING CONCERN

$175,000 will handle — Terms Arranged
Interested parties should contact
Box 574, The Financial Post, Toronto

IN BUSINESS ABROAD . . . .

as in business here, your personal call is best. We can undertake proper tasks in the United Kingdom and Western Europe. A man with professional training, experience of the areas, and sound references leaves by air in mid-July for about six weeks.

BOX 584, THE FINANCIAL POST, TORONTO

AIRLINE PILOT

wants position with

CORPORATION

Nineteen years active flying. Five years with R.C.A.F. retiring with rank of Squadron Leader. Five years captain with large New York Corporation, and two years with Trans World Airlines. Presently employed as captain with U. S. Airline.

Thoroughly familiar with all routes and heavy traffic areas in U.S.A. and Canada; including Newfoundland and Labrador.

Over 9,000 hours flying time with no accidents.

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Man with some training and experience in investments, trust work, taxation and possessing sound accounting knowledge. Good personality essential. Chartered accountant or commerce graduate preferred but possession of these qualifications not essential. Position offers interesting future in investment and trust administration. Salary according to experience.

Reply to P.O. Box 1414,
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Technical Sales Manager required by United Kingdom Company, to take charge of expansion program in North America. Sound engineering background with wide experience of heavy mechanical handling equipment essential. Commercial experience in executive capacity an advantage. Salary $6,000 to $8,000 per annum to commence.

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CHEMICAL ENGINEER, recent graduate University of Alberta, desires opportunity to gain experience in Industry offering good future prospects. Box 561, The Financial Post, Toronto.

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UNIVERSITY GRADUATE, AGE 40, desires change. Diversified background of sound industrial accounting, including Secretary-Treasurer. Seeking position as Comptroller, Secretary-Treasurer, or Chief Accountant, depending on size of organization. Box 588, The Financial Post, Toronto.

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POSITIONS AVAILABLE

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BY CALGARY Consulting Firm. Minimum 5 years experience in soils and foundations with some post graduate training. Applicant should state age, summary of experience and salary expected. Box 582, The Financial Post, Toronto.

Business Opportunities

COTTAGE FOR SALE

$7,000.00 — NEAR SUNDRIDGE, on Lake Bernard, log-siding two-bedroom cottage on 150 foot frontage — beautiful wide safe sandy beach; cobblestone fireplace with heatilator; knotty pine panelling; hydro, electric stove, washing-machine, Servel refrigerator; fully furnished. Box 592, The Financial Post, Toronto.

OPPORTUNITIES and valuable connections through advertising in leading German trade papers. Free translations. For placements, write to Box 116 Sta. B., Hamilton, Ont.

A MEDIUM-SIZED ELECTRICAL distributing company in Edmonton for over 25 years offers a controlling interest in a profitable and successful firm. Either a silent investor or an active manager wishing to invest between $75000-$200,000. Excellent opportunity for an aggressive and experienced executive. Box 579, The Financial Post, Toronto.

FOR RENT

MONTREAL BRANCH SALES OFFICE service at very low cost. Let us explain without obligation. MERCHANDISE BUREAU, 1103 Mayor Building, Montreal 2.

Industrial Accept. In New Mtl. Quarters

MONTREAL (Staff) — Industrial Acceptance Corp. has now officially opened its new head office building in Mount Royal, a residential suburb of Montreal.

Costing close to $1.7 million, the building now houses the company's administrative personnel. IAC decided on the move for three reasons: accessibility of the building to the business district; cost; and future requirements.

The company figures it will be possible to amortize the cost of the building over a 20-year period at considerably under the going rate for equivalent space downtown.

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degree, or Bachelor of
Commerce with industrial
experience.
Ability to assume responsibilities
Age 25 to 30

BOX 591,
THE FINANCIAL POST, TORONTO

Trad. Finance Calls Debents.

All the outstanding 4% convertible sinking fund debentures due Jan. 15, 1965, of Traders Finance Corp. have been called for redemption at 102 on July 30, 1954.

Holders of debentures have the right up to and including July 29 to convert their debentures into class A common shares on the basis of 58 shares for each $1,000 principal amount of debentures held, representing a price of $17.24 a share.

Current market price of the class A shares is around $37¼, or $20 a share above the conversion price.

At April 26, only $36,000 principal amount of the 4% debentures due 1965 were still outstanding. Most have been converted into stock already, the original $4 million issue having been sold publicly at par in January, 1950.

Big Market Range For New Terylene

From delicate lingerie to sturdy water hose that will withstand pressures of up to 600 lb. per sq. in.—that's part of the market range of the newest man-made fibre to be manufactured in Canada.

Terylene, soon to be produced for the first time in this country at the $20 million Millhaven, Ont., plant of Imperial Chemical Industries of Canada, is being used increasingly in industry to provide greater efficiency and economy. Terylene was recently selected as the ideal material for the new high-pressure hose, by the British Columbia Forestry Commission.

The hose will be used to fight forest fires and is being designed to withstand twice the normal working pressures and to operate effectively at great distances from source of water. The new synthetic fibre hose was designed and developed by George Angus & Co., Newcastle-on-Tyne, Eng.

New Textile Equipment To Reduce Costs

Installation of important, new-type, cost-cutting equipment which should make the worsted end of the Canadian textile industry more competitive has been made by Patons & Baldwins Ltd. at its Toronto spinning plant.

The machine, the Raper Auto-leveller, which is said to reduce by about 50% the number of operations required to prepare wool tops for spinning, was on display and in operation for first time in North America at the Trade Fair.

President Allan Code of the Canadian Woollen & Knit Goods Manufacturers Association said: "This invention is of the greatest importance to the Canadian textile industry today, when it is seriously threatened by competition from countries enjoying much lower production costs. Only by continuing to install the most modern equipment, and by cutting labor costs to the minimum can the Canadian textile industry hope to survive in the competitive struggle with other countries."

Real Estate

A Dominion-wide market place for buyers and sellers of land, residences and commercial buildings.

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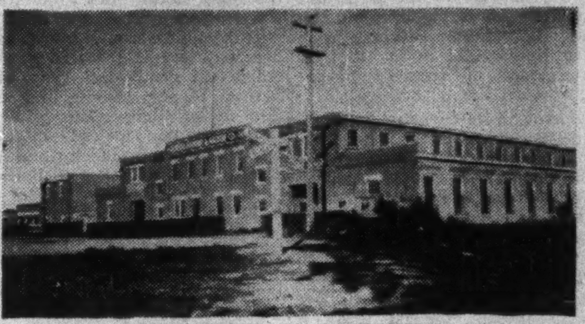

ALBERTA FOUNDRY & MACHINE CO. LTD.

For estate reasons, well established and profitably operating foundry and machine business for sale. Plant is located in Medicine Hat, Alberta, serving the expanding economies of oil and irrigation. Buildings of Steel and Brick construction, with 32,000 sq. ft. of floor space, situated on private spur on C.P.R. main line, with all services including cheap natural gas and electric power. Terms may be arranged.

BOX 669, MEDICINE HAT, ALBERTA

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10 HUGHSON ST. S., HAMILTON JA. 2-4645
After Hours—S. J. Campbell—LI. 5-7892

Abitibi Output, Net Up; Sell Two New Issues

Two new issues of Abitibi Power & Paper Co. totaling $23¾ millions were quickly sold this week by a syndicate headed by Wood, Gundy & Co. Proceeds will be used in the redemption of company's outstanding issue of $1.50 preferred shares at $25 a share.

Redemption of the old preferred was approved at a special meeting of shareholders last week. It will require $27.3 millions altogether, including $3.6 millions out of the company's own cash resources.

Company proposes to call the old preferred July 30.

The new issues consist of $10 million 4% first mortgage sinking fund bonds, Series B, dated July 15, 1954 and due July 15, 1974, and $13,750,000 (550,000 shares) of 4½% cumulative redeemable preferred shares, $25 par.

The bonds were offered at par, the preferred at $24¼ a share to yield 4.63%.

Interest requirements on the first mortgage bonds on completion of the financing will amount to $1,273,425 a year, decreasing as serial bonds are retired and sinking funds operate. In addition, interest on company's convertible debentures amounts to $425,000 annually.

Consolidated earnings before taxes and bond interest but after depreciation since 1947 have been at least $19 millions and as high at $31 millions (1951).

Earnings available for dividends in the same period have ranged from $9 millions to $13 millions, totaled $2.5 millions in the three months ended March 31. Comparable earnings for the first quarter are not available. Annual preferred requirements will now be $618,750.

President D. W. Ambridge told last week's meeting of shareholders that production in the first quarter had been 189,000 tons against 179,800 tons a year ago. All facilities were practically at capacity except for corrugating board.

LASALLE, QUE. School Commission has sold $266,000 3% bonds due 1955-74 to Dawson Hannaford Ltd. at 92.01. Net cost 3.88%. Proceeds for school enlargement. Net funded debt at June 30, 1953, $905,000; population 13,067.

DISPLAY ADVERTISING RATES

$7.00 per col. inch per insertion. (50 cents per agate line, 14 lines constitute one inch). Closing date—Copy must be in Toronto Office by Tuesday a.m. Display advertising in this section payable in advance.

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For information, arrangements to view the property and conditions of sale apply in first instance to:

Lands and Buildings Division
CROWN ASSETS DISPOSAL CORPORATION
88 Metcalfe Street
Ottawa, Ontario

1259

'Sea Perils' Haunt Yachtmen But Hike Boat Insurance Sales

The "perils of the sea" may seem pretty remote in Canada's inland holiday districts. But insuring small pleasure craft against these perils is a fast-growing part of the marine insurance business.

This summer, the number of small boats on inland waters in Canada is about double the immediate pre-war total. The two big reasons for the rise in the number of summer skippers: Canadians have more money to spend, more time for leisure.

In a country as liberally endowed with lakes and rivers as Canada is, boating naturally comes in for a healthy slice of the recreational market. And where boating comes in, the insurance man comes in too, to help the owner protect his waterborne investment whether it be an outboard motor or a diesel yacht.

Running Aground

The insurable perils to which the amateur sailor and his boat are exposed include fire, windstorm, stranding and sinking, as well as theft of the entire vessel.

The most common claim, say marine insurers, arises out of damage to the bottom of the craft through collision with submerged rocks and the like.

One of the prime hazards of owning cruisers and inboard runabouts has been the danger of explosion through lack of ventilation and accumulation of fumes. Such explosions would occur when, on starting the engine after several days' idleness, the spark would ignite the accumulated fumes. Happily, this danger has been greatly reduced in today's boats, through improved ventilation.

Partly because of today's better design, and partly because marine insurance has become more competitive, insurance rates generally have declined from a pre-war level of about 5% of the value of the pleasure craft, to approximately 3½%. But if you are in the business of renting small craft to vacationers, the chances are you'll pay at least 4%.

The latest DBS report on the boat building industry, covering 1952, shows that Canadians may be getting lazier in their boating habits. Value of factory shipments rose 13.6% over 1951 to $8.1 millions; production of canoes, rowboats and other types of boats declined, while outboards and motor boats showed a healthy increase over 1951.

The main types of motor-operated pleasure craft are outboard motorboats, inboard runabouts, outboard and inboard cruisers, and yachts. If an inboard cruiser is over 40 ft. long, it's called a motor yacht.

Underwriting policies vary on the matter of speed. Some insurers charge more for boats whose speed exceeds 25 mph. One firm will not insure any craft with a top speed of more than 40 mph.

But despite the increased competition for the insurance business on Canada's estimated 100,000 inboard boats and 500,000 other pleasure craft, underwriters still make a thorough examination before issuing a policy on any boat. Ropes and anchor receive particular attention — you never know when a sudden storm will buffet a disabled boat.

As one marine-underwriter put it, a boat can hardly be considered seaworthy until it's equipped with insurance.

Rail Dispute Back to Table

MONTREAL (Staff)—Canada's railway labor dispute was simmering down this week.

The pot hasn't ceased boiling completely—the promised strike vote of the 145,000 non-operating personnel was going on as scheduled—but the disputing parties were returning to the negotiating table. In Montreal later this week, representatives of the 15 rail brotherhoods involved will meet to once again discuss a settlement.

The contract dispute involves union demands for "fringe" benefits, which according to the roads would cost $60 millions (equivalent to a raise of 15 cents an hour per man) to grant. A federal conciliation board failed to break the deadlock and the unions have scheduled a strike vote for later this month.

The "fringe" benefits sought by the unions are considered important by the workers, although it has been suggested that members would not support these demands to the point of a strike because there are no demands for higher wages or a shorter working week.

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. . . to see how imports and exports are handled safely and economically in the United Kingdom.

The Canadian Film Institute, 172 Wellington Street, Ottawa, will lend to commercial organisations a 16mm. colour film of the Port of Bristol, free of charge, on application.

AVONMOUTH DOCKS
Port of Bristol, England

Trend of Business

Price-supported butter stockpiles continue to swell. About 40% above last year at June 1, in nine key cities. Butter production down 2% in May from last year, while margarine output up slightly.

Electronics engineers are acutely scarce, with that industry expanding dynamically.

Dwelling units under construction at May 1 this year about 1% more than same time last year. Actually completions in first four months were up, though starts declined 6% from same period last year. Uncertainty about new National Housing Act legislation and less favorable weather this year are reasons. Housing, which should be up this year, will see greater proportion of activity concentrated in later part of year. Several metropolitan areas show strength even in first four months.

Fruit crops promising in all parts of country except British Columbia, Government reports. British Columbia saw some frost damage earlier this year.

Exports which increased in value this April and first four months, compared same periods last year include: fish and fishery products, wood pulp, newsprint paper, nickel and fertilizers. Declines in wheat and other grains, lumber, copper and products, zinc and products, asbestos and automobiles.

Our exports to Latin America on the weak side. Down 9% in value this year to May 1, compared with last year. Venezuela and Cuba are strong spots though.

New passenger car sales down 10% in April from same month last year, in number of vehicles. Number of new passenger cars financed on installment plan, down 17%. Used cars financed down 20%. Decreases in car volume in all provinces, with biggest drops in new cars in the West.

Truck sales were lower in all provinces in April; down 37% for all Canada from same month last year, in number.

British exports to Canada in first quarter fell 11% from last year. West German exports here, though less than a tenth Britain's, rose by about 7%.

Chain store sales running well above last year at latest. Grocery and combination stores up 14%, women's clothing stores, up 12%; variety stores, 10%; shoe stores, 7%; drug stores, 4%; hardware stores, 2%.

Service and finance groups of industries have been giving strength to consumer income. First quarter labor income, from all industry sources, ahead of first quarter last year by 2%. Gain of 8.5% in service and finance group and 3.5% in distributive industries. Decline of 4% in primary industries, 1% in manufacturing.

One major industrial employer isn't hiring any students this summer. Temporary summer jobs are going to permanent employees who are laid off.

Nonfarm machinery imports from U. S. down 4% in value first quarter from same period last year.

Export prices average 3% below last year, while import prices are up just a shade.

Inventory investment of manufacturers 3% above last year at end of first quarter. Shipments of same manufacturers were down 3% from last year during the quarter.

Household refrigerator shipments to domestic market this year till April 1 up 8% from last year, in volume. Imports down.

Major Weekly Indicators

	LATEST WEEK	Week Ago	Month Ago	Year Ago
Department store sales (% ch. from year earlier)	+19%	—17%	—9%	—16%
Carloadings, total	84,684*	73,018	95,104†	111,112
Eastern Canada (cars)	56,235*	49,008	63,714†	71,626
Western Canada (cars)	28,449*	24,010	31,390†	39,486
Iron & Steel (mf'd) (cars)	1,252*	1,211	1,411†	1,826
Ores, concentrates (cars)	4,053*	4,285	5,158†	4,027
Base metals (cars)	761*	652	852†	840
Lumber, timber, plywood (cars)	4,450*	3,853	4,578†	6,112
Cement (cars)	1,408*	1,201	1,536†	1,452
Motor vehicle prod. (units)	9,380	9,153	10,600	11,786
Bus. failures 4-wk. moving av. (No.)	33.8	31.5	26.8	18.3
Bank of Canada holding of securities ($ millions)	2,324	2,283	2,324	2,229
Short term governments ($ millions)	1,608	1,587	1,715	1,378
Long term governments ($ millions)	693	673	586	835
Other securities ($ millions)	23	23	23	15
Canadian dollar (U.S. cents average)	101.827	101.736	101.562	100.616
T.S.E. industrial index	342.48	341.23	348.73	297.64
Dom. Bond Yield Index ('35-39=100)	99.9	99.9	99.9	120.7
Bank Clearings				
Montreal ($ millions)	527	1,142	486	420
Toronto ($ millions)	621	913	522	479

*Ten-day month-end period.
†Nine-day month-end period.

Facts by the Month

	LATEST MONTH	One Month Previous	Two Months Previous	One Year Previous
WHAT WE PRODUCE—				
In all industries (Index)	231.7	230.0	228.9	246.8
In factories (Index)	250.8	250.6	239.9	265.6
Total nondurable goods (Index)	216.2	212.8	202.0	221.8
Food and bev. (Index)	200.9	184.2	184.0	196.2
Textiles (Index)	169.2	165.1	148.6	216.4
Clothing (Index)	160.3	156.2	146.3	184.2
Chemical products (Index)	283.7	288.7	278.5	279.0
Total durable goods (Index)	305.0	309.7	299.3	334.1
Iron & steel products (Index)	256.5	262.6	256.8	304.5
Primary iron & steel (Index)	247.8	270.6	268.6	354.4
From mines (Index)	172.4	181.5	171.4	160.2
Metals (Index)	118.1	109.5	100.2	118.0
Nonferrous smelting refining (Index)	226.4	224.3	209.8	236.4
Gold (Index)	103.2	96.2	81.9	105.9
—From farms—				
Hogs graded (000)	397	481	387	462
Cattle delivered (000)	139	165	130	126
Flour (Index)	144.2	152.3	136.0	161.4
—From sea				
▪E. Coast catch ($000)	2,866	1,627	1,278	2,425
▪W. Coast catch ($000)	277	937	447	342
—From forests				
Newsprint (000 tons)	500	515	458	480
▪Pulp (000 tons)	783	821	726	743
—In powerhouses				
Electricity (Index) (seasonally adjusted)	253.7	247.6	249.4	254.3
WHAT WE SELL—				
Retail sales ($ millions)	938	803	806	931
Dept store sales ($ millions)	86	81	66	80
Wholesale sales (value) (Index)	352.5	312.6	294.1	349.0
▪Mfrs. outsdg. orders (value) (Index)	86.9	90.6	84.0	98.5
▪Pass. car sales (units)	39,148	36,422	23,722	43,519
WHAT'S ON HAND—				
▪Mfrs. inventories (value) (Index)	103.3	104.0	103.5	100.1
Dept. store stock/sales ratio	3.1	3.3	1.8	3.2
SPENDING, SAVING POWER—				
▪Labor income ($ millions)	941	947	941	924
Dividend payments (Index) (annual rate)	248.4	247.8	247.6	245.4
JOBS—				
Employment (Index)	105.5	106.6	107.0	110.0
Mfg. employment (Index)	107.7	108.3	108.3	112.9
CONSTRUCTION—				
Contract awards ($ millions)	235	205	92	238
FOREIGN TRADE—				
Exports ($ millions)	298	321	280	305
Imports ($ millions)	358	353	293	392
MONEY—				
Money supply ($ millions)	5,098	4,953	5,034	5,041
Cheques cashed ($ millions)	11,760	12,669	10,884	11,290
Savings deposits ($ millions)	5,132	5,245	5,162	5,107
Current public loans ($ millions)	3,776	3,756	3,825	3,372
Life insurance sales ($ millions)	217	244	205	205
PRICES—				
Consumer price (Index)	115.5	115.6	115.5	114.4

Index bases: production wholesale sales 1935-39=100; employment, payrolls, 1949=100; consumer price index, 1949=100; manufacturers inventories, outstanding orders, Dec., 1952=100.

STRATEGIC MATERIALS—Production and Supply—

	Latest Month	Month yr. ago	Yr. to date	% chge. yr. to date
Steel ingots and castings (tons)	249	367	815	—22
Primary copper (000 tons)	26.4	24	62.6	—9
Nickel (000 tons)	13.5	12.2	38.0	+8
Cement (000 bbls)	1,868	1,830	5,042	+2
Lumber (million fbm)	594	676	1,537	—16
Exports (million fbm)	369	302	775	+5

▪New items this week.

Date for your file: The Financial Post, June 19, 1954.

Canada Gets New Foam Latex Process

Opening of a new Toronto plant brings an entirely new industrial process to this country—the coating of fabrics with thin gauges of latex foam.

Dominion Silk Mills has just completed a 14,000 sq. ft. expansion program to provide the complete production facilities to serve the diversified Canadian market. The company has been licensed by Andrews-Alderfer Co., Akron, Ohio, to coat fabrics with latex foam by means of the special patented "Andalfoam" process. Until now, all "Andalfoam" foam and fabric combinations have been imported from U. S., where they were introduced in 1949.

Current applications of "Andalfoam" include lining and insoles for shoes, foot comfort accessories, and floor coverings, mattress toppers and many other items. The finished product has actual "breathing" qualities that are unobtainable in laminated or cemented combinations of foam and fabric. By the new process long lengths of almost any fabric or material can be coated with foam rubber. The coating is of uniform thickness and can be held to close tolerances from 1/32 to ¼ in. thick.

Big Step-Up In Expansion Planned By B.C. Telephone

B. C. Telephone is stepping up its expansion rate.

Last year the growth in the number of telephones exceeded that of any previous year. This week, shareholders approved purchase of the physical assets of Chilliwack Telephones Ltd. At the same time, company plans to install hundreds more telephones and a large quantity of switchboard in the various exchanges recently taken over from the Dominion Government.

Proposed purchase price for Chilliwack Telephones is $679,000, conditional on the approval of the B. C. Public Utilities Commission and the Federal Board of Transport Commissioners.

(At the end of last year, Chilliwack Telephones had 4,003 telephones in service in Chilliwack and applications for 645 more. Gross revenue in 1953 was $196,127, up 15.1% from the previous year's $170,459. Net profit was $17,524, 1.2% off on 1952 figure of $17,730.)

Installation plans are the first major move to increase local telephone facilities in the territory acquired by B. C. Telephones and North-West Telephone Co. last April. W. S. Pipes, vice-president and general manager of B. C. Telephones, emphasizes that equipment the company plans to install will not provide facilities initially to supply service to all waiting applicants in former government territory. Relief, he says, will come gradually, over a period of many months.

However, approximately 2,500 instruments and several sections of switchboard are being prepared at Canadian (B. C.) Telephones & Supplies Ltd. for shipment to former government exchanges and other areas in which the two companies operate.

Meantime, company has increased long-distance facilities between Vancouver and central B. C., with more circuits to be added soon.

It is also providing local service for a limited number of waiting applicants where equipment is on hand at these points.

Cable men of the company are working in Quesnel and Williams Lake, completing outside plant projects which were not finished at the time of the transfer.

During the next few months, engineering teams will survey former government territory to determine actual needs and demand.

Financial Detail Available Soon On Mercury Deal

Final arrangements have been completed for the purchase of the assets and assumption of the liabilities of the Chipman Holton Knitting Co. by Mercury Mills Ltd.

At a directors' meeting plans for the immediate fusion of both plants were formalized and are now being carried out. The deal gives effective control of the company to Chipman Holton shareholders (The Financial Post, June 12).

The following appointments were also made at the meeting: M. B. Holton, chairman of the board and director; G. G. Beamish, president and director; W. V. Holton, director. Remaining as directors are C. L. Gundy and R. W. S. Johnston. H. J. Kennedy continues as secretary and general manager. R. A. Nelson was appointed treasurer.

Annual meeting will be held as soon as the necessary financial statements of the joint enterprise have been completed.

72¾% INCREASE
From Jan. 31, 1950 to Mar. 31, 1954

A DIVIDEND EVERY 44 HOURS on the average, is reinvested to gradually expand the investments behind MAF shares. The total investment performance of MAF shares therefore reflects the changing market values of some 50 stocks held under the supervision of professional investment management plus income continuously compounded.

M·A·F
MUTUAL ACCUMULATING FUND

TOTAL INVESTMENT PERFORMANCE PER $10,000 NET ASSETS

JAN. 31st, 1950	$10,000
DEC. 31st, 1950	12,350
DEC. 31st, 1951	14,400
DEC. 31st, 1952	15,150
DEC. 31st, 1953	15,887
MAR. 31st, 1954	17,276

LATEST REPORT AND PROSPECTUS ON REQUEST

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276 ST. JAMES ST. - - MONTREAL

R. A. Daly Co. Limited
44 KING ST., W. - - - - - - TORONTO

Osler, Hammond & Nanton Limited
MAIN & PORTAGE AVE., WINNIPEG
1838 HAMILTON ST. - - - - REGINA
510 - 8TH AVE., W. - - - - - CALGARY
525 SEYMOUR ST. - - VANCOUVER

Pemberton Securities Limited
418 HOWE ST. - - - - - VANCOUVER
612 VIEW ST. - - - - - - - - VICTORIA

The Western City Company Limited
544 HOWE ST. - - - - - VANCOUVER

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THE LONDON LIFE INSURANCE COMPANY
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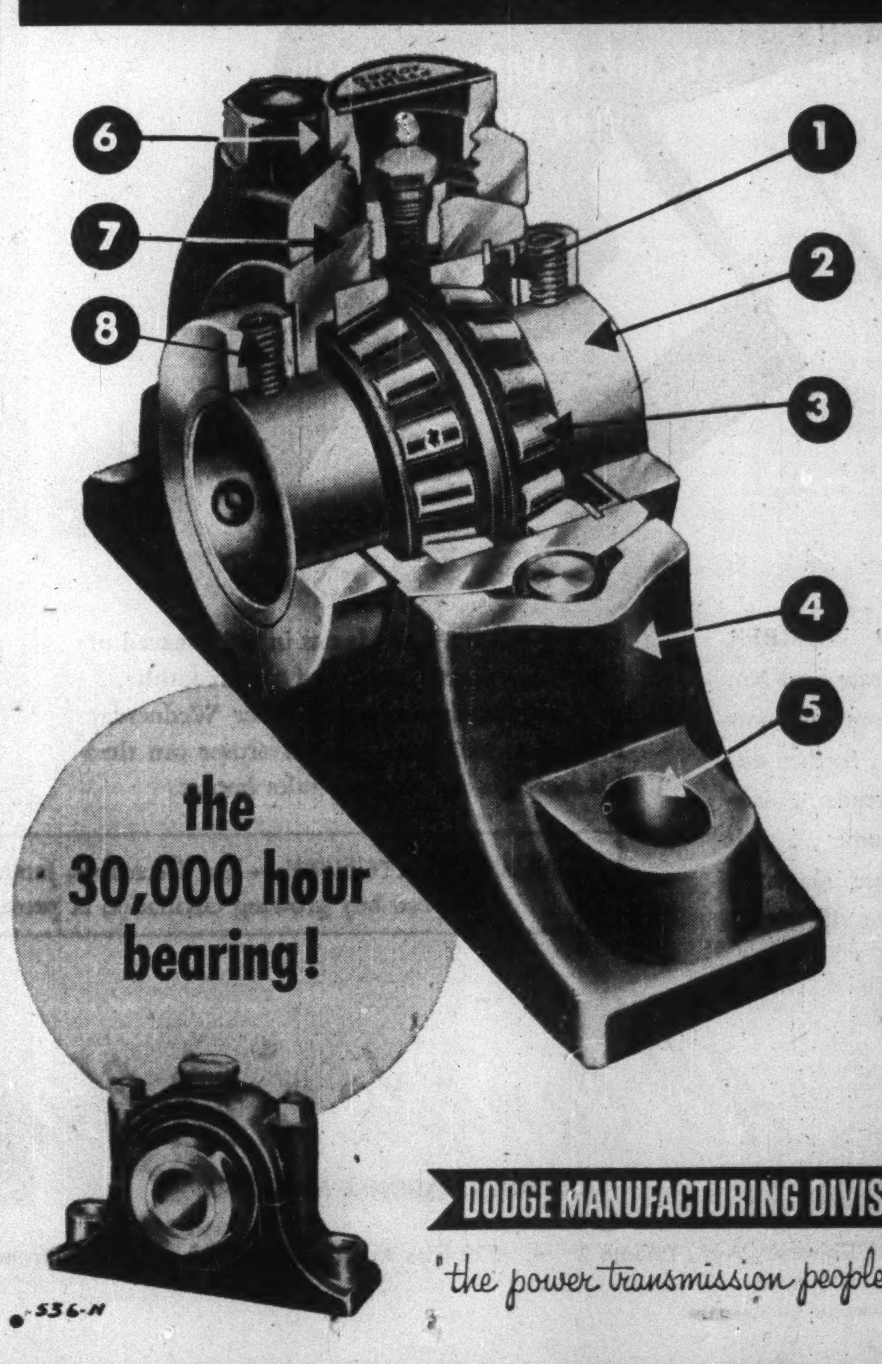

DODGE - TIMKEN PACKAGED UNITS
. . . sealed on or off the shaft, and featuring—

1 Labyrinth grease and dust seals
2 Long inner race
3 Timken Tapered Roller Bearings
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5 Elongated bolt holes permit lateral adjustment
6 Dust cap over lubrication fitting
7 Fully self-aligning —expansion and non-expansion
8 Set screws through collar lock both ends of bearing race to shaft

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DODGE MANUFACTURING DIVISION

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"the power transmission people"

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GREATER DISCOUNTS
FOR NUMBER AND SIZE
OF UNITS

MORE ISSUES
26 IN 1955
INSTEAD OF 24

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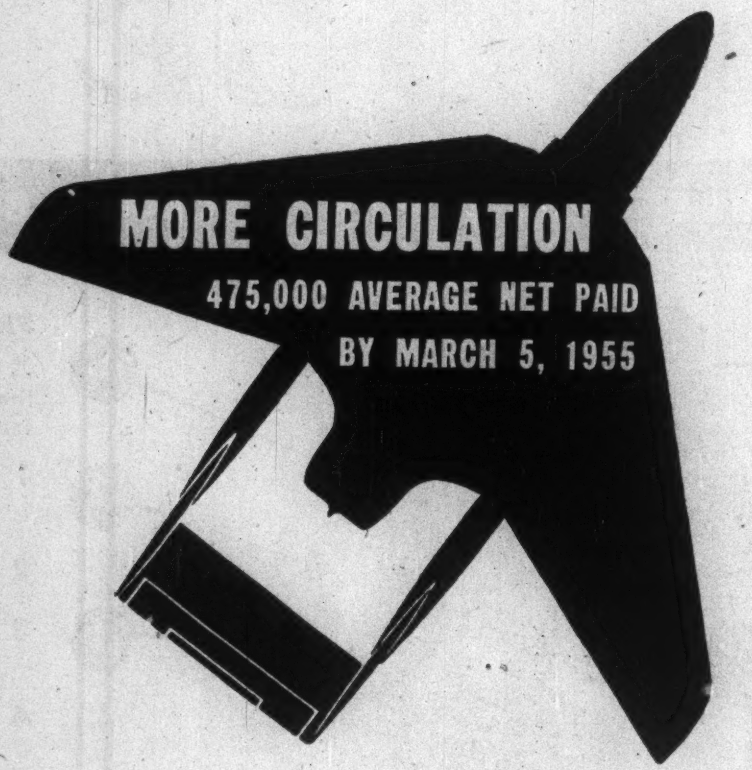
MORE CIRCULATION
475,000 AVERAGE NET PAID
BY MARCH 5, 1955

REDUCED RATES
PER PAGE PER THOUSAND
OF CIRCULATION

GREATER DISCOUNTS FOR NUMBER AND SIZE OF UNITS — New rate card No. 36, effective March 5, 1955, shows discounts for standard full page space . . . further discounts for standard full page spreads . . . discounts as high as 20% for volume . . . all combine to help advertisers use magazine space more consistently and more effectively.

MORE ISSUES — 26 issues in 1955 instead of 24 . . . fortnightly instead of semi-monthly . . . national distribution every other Wednesday beginning March . . . an advertiser can time his messages for strategic sales impact.

MORE CIRCULATION — 475,000 average net paid by March 5, 1955 . . . up 38.8% since 1949 . . . mounting circulation is the result of an editorial program that has gripped the imagination of the Canadian public.

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The Financial Post

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They Help Business Do Business With Ottawa

Experts, Not Lobbyists, Get Results By Knowing the Governmental Maze

Corporation House is Ottawa's biggest undertaking of general business representation, where clients can have office space and secretarial help while doing business in Ottawa.

By MICHAEL BARKWAY

Business today has more problems with government than at any previous time, outside of war. And more people than ever before in Canada are in the business of helping business to deal with government.

This new business is conducted in Ottawa by a growing group of people in many different ways. Their broad function is to help business firms know what the rules and regulations are which affect them; and then to make sure that they get the best deal the law allows them.

There is no name yet for this activity: it is too new, too varied and too ill-defined. Some people think of it as a profession; others as a business.

It has no standard training, no professional code of ethics, no standard way of assessing fees, no regulated procedures. Most of the people doing it operate individually, some from their own homes, some from offices. There are a few partnerships and one limited company in the field. All of them offer their services to help business in its dealings with the Federal Government.

Who are they? How do they operate? What help, if any, can they give you?

With vague ideas about Washington in the back of your mind, you may suppose that these people are "lobbyists." Actually they are not, and this is the very last thing most of them want to be considered. Lobbying, as it is understood in Washington, is something that goes with the U. S. system of government. It doesn't fit with the Canadian parliamentary system. Lobbying in the Washington sense doesn't apply where responsible power is concentrated in the Cabinet.

How Our System Works

The power of decision, both on policy and on administration, lies here in the same hands—ministers' hands: not in claques or passing coalitions of highly individualistic congressmen. Laws are passed—with very few exceptions—on the recommendation of the Cabinet. Without the Cabinet's blessing, or at least neutrality (which is rare), the House of Commons does not pass them. If the Cabinet fails to get the support of the House of Commons, it ceases to be the Cabinet. But so long as it's there it takes the decisions.

The system itself works against lobbying. So does the accepted code. Canadian ministers do not like being pressured; neither do Members of Parliament. The civil service immediately reacts against it.

Most of the business representatives operating in Ottawa recognize this very clearly. Here are statements to The Post by some of them:

—"We stay away from Parliament Hill completely. It would be fatal for us to be regarded as lobbyists."

—"All our work is at the departmental level; and we can do much better there by keeping the politicians out of it."

—"I don't suppose I go to talk to Members of Parliament more than three times a year. Sometimes when clients come from out of town I send them to see their M.P. because he ought to be interested in their problem. But I always discourage them from trying to make a concerted attack on M.P.s. It doesn't work, and it arouses resentments."

—"It's waste of time to talk to Liberal backbenchers; and opposition support may merely turn the Government against you."

—"We deal at the administrative level, with civil servants. And they only get suspicious and resentful if they think political influence is being brought to bear."

Role of the Civil Service

The civil service operates both as administrator of government policy and as adviser to ministers. Its advice is meant to be—and to a remarkable degree, is—free of political bias. But all good civil servants in the senior ranks know the general lines of what ministers want.

Sometimes they get surprises. The Cabinet sometimes accepts unpopular recommendations that officials had hardly dared to hope for. Other times it jibs, on political grounds, at things which they had thought to be plain sailing. But always ministers have the last word.

In administering statutes, regulations, orders-in-council and all the rest of the law, civil servants' authority is limited in scope, But it is, in many cases, very real. However narrowly administrative power may be defined, a field remains—whether on tax assessments, or customs rulings, or permits, or contracts—in which "departmental discretion" has to be exercised.

It is entirely legitimate in such cases to try to get the best deal you are entitled to—not as a favor, but as a right. The trouble is that you can only claim it as a right if you know just what you are entitled to. And that is where the business representatives in Ottawa, in their different fields, offer their services.

There are people in Ottawa who claim that they can peddle influence. There aren't many of them; and by and large the results they can show are extremely petty. The more responsible business representatives regard them as "playing a sucker list": the suckers being the businessmen who pay their fees.

Influence of the Cabinet

If it's real influence or favors you're looking for, you need a Cabinet minister. And you may as well be warned in advance that the results can still be disappointing.

There was a company in Eastern Canada not long ago which wanted capital assistance or some other form of government aid, and failed to persuade the appropriate officials. It went to a good deal of trouble to get the "right introductions" to C. D. Howe. He received them graciously, and listened to their problem. Then he said: "Ah, yes. The man you want to see is Mr. A. I'll call him. He'll tell you whether anything can be done for you."

They found themselves back with the same official, giving the same ruling. Nothing had changed except that their faces were redder. (I quote this, because the pattern is repeated every week.)

There's another firm in Western Canada which is persuaded to this day that it got a contract through the influence of a Cabinet minister. The minister did arrange an interview with officials concerned in another department. The officials did award it the contract. They couldn't do anything else: it was the low bidder.

If you could turn over the stone and see everything that goes on here in Ottawa, I don't doubt that you'd find a few small squirmy things. But it just isn't the sort of capital where influence-peddlers, or five-percenters, or professional lobbyists, flourish.

Different Jobs They Do

The business representatives operating here do many different jobs in many different ways. This is by no means an exhaustive list; but there are some groups that can be differentiated.

1. LAWYERS: In virtue of time the legal profession must come top of the list. Forty years ago there was nobody else in Ottawa to represent business in its contacts with government except the lawyers. And some of them spent so much time dealing with government departments that they developed a phrase for it. They called it "departmental practice." Many of the law firms in Ottawa still live largely on a departmental practice. Much of it involves little law, but a good deal of arguing with government departments on behalf of clients.

Income tax is a field still left largely to lawyers and accountants: the new business representatives have not tried to get into it.

Customs and excise taxes, however, are now shared between the lawyers and the specialized tariff consultants. In many cases the tariff consultants will brief lawyers for Tariff Board cases. In other cases lawyers will get help from the tariff consultants on a brief involving tariffs.

There is some remnant of jealousy on the part of some lawyers about the invasion of this field by outside experts who are not lawyers. But by and large the lawyers recognize that it is a highly complicated field requiring more technical than legal knowledge.

"Departmental practice" is a vague description. A few people, from the cover of a legal shingle, profess to help their clients to get contracts or favors from the Government. But most of the big firms do not handle this kind of work.

By practice, though not apparently by law, the lawyers have a monopoly on the work of "parliamentary agents." Appearances before committees of the House of Commons in support or opposition to private legislation have to be made by registered "parliamentary agents." They must register each session for a fee of $25, and no one can register unless he is handling a bill during that session.

2. TARIFF CONSULTANTS: "When I started in departmental practice," said Duncan MacTavish, Q.C., "there was only one man in Ottawa doing similar work besides the lawyers. That was old John Bain."

John Bain was assistant comissioner of customs in the early years of the century. He resigned about 1910 to set up as a business representative on tariff matters, and his first client was General Motors Corp., which had a lot of work on duty drawbacks. U. S. Steel Corp. and several other big companies soon started using his services as a tariff adviser. His business has now passed to a son-in-law, Les Maynard.

Another assistant commissioner of customs (only it was called assistant deputy minister by that time) was Leon Jackson, whose son P. Frederic Jackson went into tariff work while his father was still with the department. He left soon after Dave Sim became deputy minister, as he still is. P. F. Jackson is still a tariff consultant here.

Percy Sparks, now 73 and trying to restrict his practice, started out before the first war by trying to protect the tariff interests of his own textile mill. Then he acted, as president of the Canadian Association of Garment Makers, for the whole trade. Then many other people asked him to help them with tariff matters. Finally, about 1929, he gave up his textile connections and became a straight tariff consultant.

In more recent years many more new men have entered the field. A good many of them left the Department of National Revenue for this purpose. Lorne Young was assistant deputy minister till about five years ago. Gordon Hooper was a textile expert in the appraisers' branch. S. B. Handleman was a values appraiser. Another of the younger men, Walter F. Perkin, had just one year in the income tax branch and a year in the Wartime Prices and Trade Board between getting out of the Navy and setting up in business for himself.

The methods of these tariff consultants vary. Most of them concentrate on direct dealings with the department over their clients' contentious cases, and regard an appeal to the Tariff Board as a last resort. Others specialize in Tariff Board cases: Gordon Hooper, for example, made his reputation at them.

Their method of charging also varies. The majority operate basically on annual fees or retainers from a limited list of firms. These may be supplemented by specific assignments; and some of them stipulate for a higher fee if they win a case than if they lose.

But another practice is for the consultant to take a percentage of any refunds he wins for his client. It has sometimes been objected that this practice leads to two undesirable results:

—It is alleged that it tempts some consultants to wait for months before challenging a questionable ruling. Only when a fat sum has accumulated in potential refunds, it is charged, will the consultant go to an importer and offer to fight the case on a percentage basis.

—Second, when an appeal to the Tariff Board has been launched by the original appellants, many other firms may be in line for refunds. If an Ottawa consultant can line up some of them on a percentage basis, he may get a more or less free ride for a good many thousand dollars on somebody else's appeal.

Some officials and some of the tariff consultants themselves complain that there is something not quite ethical about this. But they have no suggestions for stopping it. And businessmen sometimes like it very well.

3. TRADE ASSOCIATIONS: Many big firms, of course, keep their own men in Ottawa to handle contracts, keep head office informed about developments, watch for new business, keep an eye on regulations or legislation of interest.

For smaller firms, which cannot afford their own Ottawa office, one way of keeping in touch is through a trade association. More and more of them are establishing representation here. It varies from the substantial offices of the Canadian Manufacturers' Association or the Brewers' Association to the part-time help of an individual.

Small or large, the trade association can keep a whole industrial group informed of developments which concern the whole group. It can represent an industry problem to the appropriate people. It can properly see that M.P.s as well as officials are kept informed. But it cannot enter into any transaction for one firm which might conflict with the interests of another.

This is the gap which the next group have tried to fill.

4. GENERAL REPRESENTATION: Most important development in this field is the establishment, immediately after the war, of Corporation House Ltd. It is the only outfit operating as an incorporated company. It has its own building, a staff of about 16 people, and a wider field of activity than any of the other Ottawa representatives.

One of the directors, Eric Hehner, heads an expert staff dealing with customs and excise matters. Another, John Dobie, heads a research staff which makes surveys on both Canadian and foreign markets. The president, Stuart Mackay-Smith, supervises the job of finding sales outlets both in foreign countries and in the Canadian Government.

It is a firm rule of Corporation House not to pretend that it can get a contract for any client. But Mackay-Smith says there are 155 purchasing agents of the Canadian Government. Corporation House will try to see that its clients are registered with all the purchasing agents handling their type of goods. It will help in the make-up of tenders to make sure they conform to the requirements of the various agencies. It will attend the opening of tenders where they are public, as in the Department of Public Works. It will deal with the Contracts Settlement Board. It will try to help clients to get their own specifications written into Government tenders, or at least try to get them accepted as equivalents (for which the Government has a special procedure).

"We don't try to get contracts through political influence," says Mackay-Smith. "By and large the Government is very fair and reasonable in these things. And if it does happen occasionally that our client's competitor seems to be getting an unfair advantage through political influence, then we find we can protect him against that—simply by knowing the rules and regulations which are designed to see that everyone does get a fair deal."

STUART MACKAY-SMITH

president of Corporation House Ltd., also this year's president of the Canadian Exporters' Association. Corporation House is a limited company. Other directors are John Dobie, Eric Hehner and J. Ross Tolmie.

Most of the Corporation House work is done on annual fixed fees from client firms. The service includes a supply of information on relevant requirements in Government plus any special representation work that is required during the year. Other jobs are taken on assignment, with fees determined according to the amount of time spent on them. The company won't take contingent fees and it won't work on a percentage.

Corporation House has a wider scope than the other representatives who, however, offer partly overlapping services sometimes with other specialties of their own. Eugene M. Henry, for example, is now making a specialty of industrial development plans. He helps foreign firms to get settled here, and his service will cover market surveys, research on alternative locations, real estate arrangements, and even contacts with architects and engineers.

Business representation in Ottawa has come to stay—in some if not all of its present forms, and probably in new ones not yet thought of.

Whether and how it can help you in your business depends on the sort of dealings you have with the Government. It also depends on what you expect.

DON'T suppose that any Ottawa representative can wave a political wand and win you entrance to an imaginary "inner circle." He can't, and there isn't one.

DON'T suppose that you need an intermediary to discuss your problems with the Government. The best way to approach the Canadian Government is the straightforward and direct way. The Canadian civil service is not fenced round with rigidity. You don't have to be introduced.

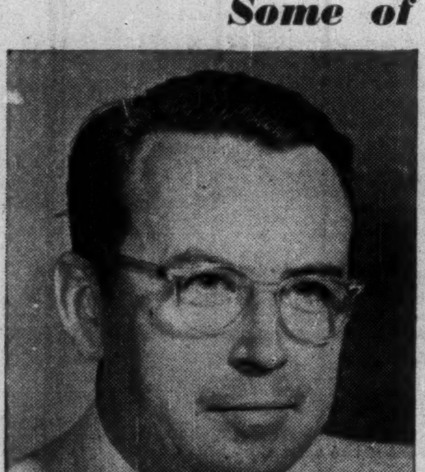
DON'T be impressed by anybody who says he can "get you into the office of Mr. So-and-So." If you have a real problem and Mr. So-and-So is the right man to deal with it, all you need is his telephone number. And you can get it from the Government exchange — 2-8211. Officials would usually rather discuss business problems direct with the businessman concerned than through any agent or representative.

If you do use a business representative in Ottawa, you don't buy either influence or introductions. You buy technical knowledge and expertness.

The Government's impact on your business is inevitably complex. The rules and regulations which it has to administer—with the tariff as an outstanding example—are a maze to the uninitiated.

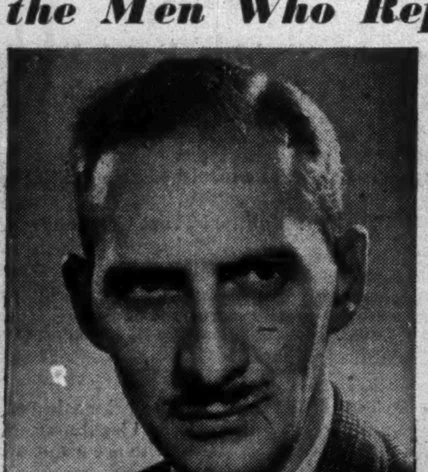
The Ottawa representative, to be any use, has got to know the way through the maze. He must be an expert, not a front man.

Some of the Men Who Represent Business in Ottawa



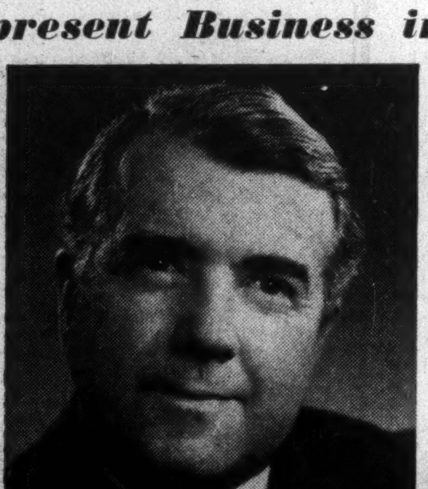
EUGENE M. HENRY

Ottawa representative for Shoe and Leather Associations, business machines. Also specializing in industrial development.



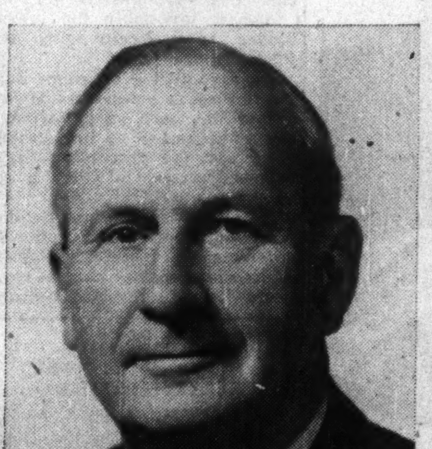
JOHN S. CONNOLLEY

of the Canada Information Agency. Former Bureau chief for British United Press, now adviser for associations, foreign govts.



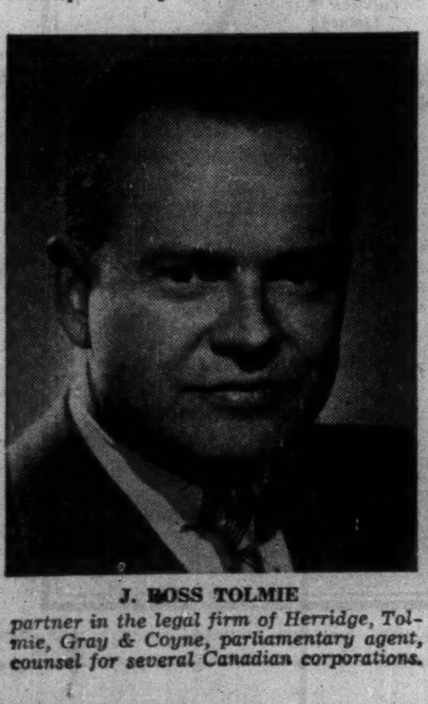
DUNCAN K. MacTAVISH

partner in Gowling, MacTavish, Osborne & Henderson. Specializes in "departmental practice."



GORDON HOOPER

a former employee of the customs department, who has made a name for winning cases before the Tariff Board.



J. ROSS TOLMIE

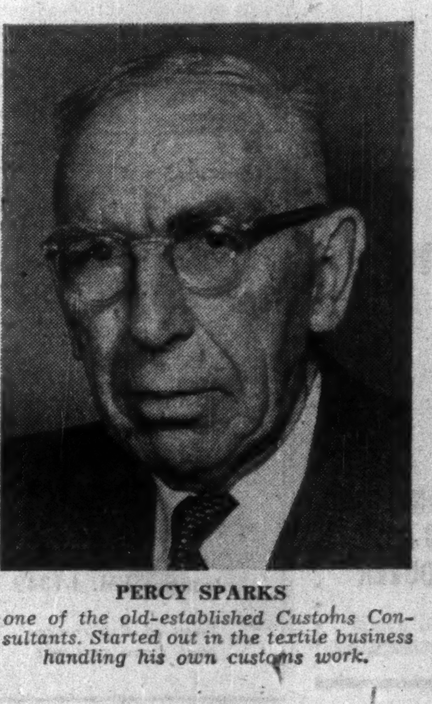
partner in the legal firm of Herridge, Tolmie, Gray & Coyne, parliamentary agent, counsel for several Canadian corporations.

F. WALTER PERKIN

a "General Departmental Agent" specializing in consulting work on customs tariff, and sales-excise tax matters.

S. B. HANDLEMAN

counsel and representation in customs and excise. Formerly a values appraiser in the Department of National Revenue.

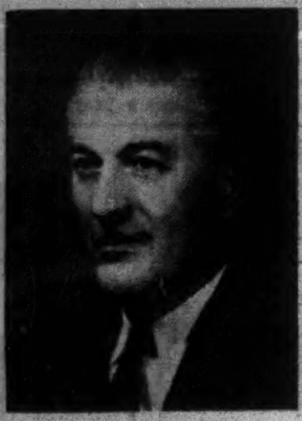


PERCY SPARKS

one of the old-established Customs Consultants. Started out in the textile business handling his own customs work.

ANNOUNCEMENT

R. W. WOOTTON



J. DOIG

Ray-O-Vac (Canada) Limited announces the appointment of R. W. Wootton as General Manager of Administration, Plant and Production, and J. Doig as General Manager of Sales, Advertising and Merchandising.

CANADIAN PACIFIC EXPRESS
TRAVELLERS CHEQUES

When you travel carry...

OBTAINABLE FROM ALL CANADIAN PACIFIC AGENTS AND MOST BANKS

Life In a 'Broiler Factory'

Price Lows, Farmer Woes From Mass-Output Chicks

Chicken production lines — something new and something which means lower consumer prices, plus trouble for farmers who cling to traditional methods of raising chickens.

This is what has been happening in the last four years as our packing industry strives to meet the fast-rising demand for poultry:

"Factories" have been set up, financed mostly by packinghouses and feed companies. They turn out thousands of tender, young broilers every few weeks. This year they probably will represent an $18-million business.

It's done on a production line basis in many cases. Retired doctors, farmers, former citydwellers —a lot of people have got into the business.

The sponsoring company may buy 10,000 or 15,000 chicks, give them to a producer to raise in an unused barn or other structure fitted for the purpose. Feed also is supplied. The operator provides the accommodation and the work. Usually, a single man can handle the whole job.

Conveyor belts carry feed to the birds who eat right off the belt. After 11 weeks they are killed and begin their journey as broilers to the consumers' dinner plates.

Another batch of chicks is started and the process repeated.

The result: Broilers selling for around 40c-45c lb.

Outdone Themselves

Actually, one official explains, cost of production is probably around 47c-48c lb. However, in the mad rush to keep up with growing demand, producers have actually exceeded current requirements.

The overexpansion may have resulted from overeagerness on the part of the sponsoring companies.

Some farmers who raise chickens for a living or keep a few as a sideline to some other major farming operation are unhappy about the so-called "broiler factories."

According to a recent report, the Canadian Federation of Agriculture says the great broiler development since 1950 may force farmers out of the poultry business.

The Federation says recent changes in chicken-raising technique may force poultrymen to turn to some other farm product, possibly hogs. This in turn might mean overproduction of hogs and sharply lower returns for producers.

But a packinghouse official tells The Post that most farmers have been reluctant to go into the type of operation necessary to turn out low-cost broilers. So the companies have financed the venture.

There are independent operators, some of them producing on a large scale, but most producers are backed by a packinghouse or feed company.

The Cheapest Way

The official claims mass production of broilers is "the cheapest way of producing meat. Nothing else can better it."

Swift Canadian was first in the production line broiler business, which didn't work up a full head of steam until 1951. Other companies quickly followed and the business expanded to the point where it will probably be worth between $15 millions and $18 millions this year.

Poultry consumption generally also has shot up. Per capita consumption jumped from about 20 lb. annually four years ago to 27.3 last year. This figure is slightly below 1952's but there is a possibility a revised estimate will wipe out the decline.

Canadian poultry consumption zoomed from 294 million lb. in 1950 to 391 million lb. last year. Mass produced broilers with their low prices have been partly responsible for this swing to chicken.

The production oddity which results in broiler producers now losing money, because of oversupply shouldn't last. The market is healthy and expanding.

Highway Contracts in B.C. Opened in Public Ceremony

(Special Correspondence)

VANCOUVER—While there are complaints that Ontario may have been paying too much for its new highways, British Columbia's Government is exulting in unusually low costs for current work.

Social Credit leaders are claiming part of the credit, but most of it seems to go to business conditions in the road building industry.

Contractors are cutting their bids fine with increased competition, and are employing bigger and better equipment, according to Public Works Minister P. A. Gagliardi.

A big reason for low bids is said to be surplus equipment from the Kitimat project, which has reduced equipment rental figures to bottom levels.

Mr. Gagliardi claims that his administration's methods of handling the technicalities of road work are also due for praise from taxpayers. Some $41 millions is allocated for highways this year. Over $80 millions has gone for road work in the two years the Social Creditors have been in, and "we can show where every dollar has gone," says Gagliardi, obviously referring to the Ontario road scandals.

The system of operations in government roadbuilding in B.C. differs from that in Ontario.

Today, and for many years under various governments, awarding of contracts is a public ceremony. Anyone can attend. If you are a casual visitor in the legislative building and chance to hear of the time fixed for opening tenders, you can walk in and view the proceedings.

The only condition is that you sign a visitors' book. All contesting bidders can be present. The Minister usually presides. If he is absent, then two of his assistants, the deputy minister and the chief engineer, must be present.

Almost invariably the lowest bidder automatically gets the job.

On a couple of occasions during the last few years, the lowest tender has been so remarkably low as to suggest an unconscious error and the proceedings have been adjourned to allow a revision.

No system of pre-qualification is in vogue with the exception of contracts on the Trans-Canada highway where the Federal Government insists that any contractor must have been operating in Canada during the previous 12 months.

Heads of large British Columbia firms who do not see why they should be quoted by name have naturally been following very carefully the disclosures in Ontario.

They say the B.C. system allows no loopholes for dishonesty and they say there is 100% absence of graft.

Kitimat Gets First Alumina

MONTREAL (Staff) — An important milestone in the Alcan development at Kitimat, B.C., was reached last week, as the S.S. "Sun Karen" arrived from Port Esquivel, Jamaica, with the first load of alumina.

The vessel, operated by Saguenay Terminals, Alcan's shipping subsidiary, established the supply line for what's expected to become the world's largest aluminum smelting operation. Shipments are predicted to eventually total over 200,000 tons a year, equalling about 20 trips by vessels comparable to the "Sun Karen."

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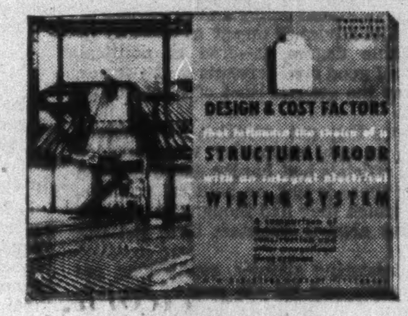

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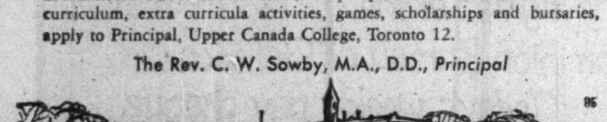

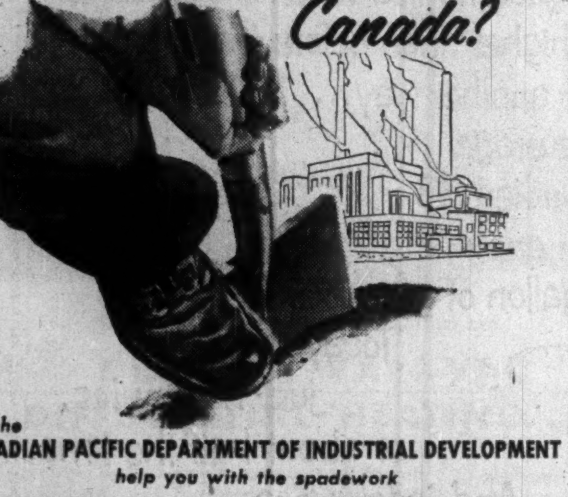

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Loans In Canada Higher Inventories A Factor

Total loans in Canada at the end of March, 1954, were $4,067 millions, the quarterly classification of loans by the Bank of Canada for the first quarter shows.

This figure shows an increase over the previous quarter ending Dec. 31 and the first quarter of 1953 reflecting expansion in business.

Most lines of business show increases over last year. Among them, loans to merchandisers were up both on the quarter and the year probably reflecting slower sales, and heavier inventories, being financed by bank credit.

The same condition would apply to textiles it is believed.

Loans to installment finance companies are down in both comparisons (not so much from a year ago) this being due probably to these companies getting more of their money from industrial companies and other concerns with money to lend.

Heavier inventories are also believed the cause of larger loans in the electrical apparatus and supply business. Comparative figures for chartered bank loans follow.

CLASSIFICATION OF LOANS IN CANADA BY QUARTERS
Millions of Dollars

	Mar. 1954	Dec. 1953	Mar. 1953
Govt. and Other Public Services:			
Provincial Governments	3.4	10.5	2.3
Municipal Governments, school districts	136.3	92.1	128.0
Religions, education, health, welfare institutions	56.2	51.9	44.1
Total Public	195.9	154.5	174.4
Financial:			
Invest. dealers and brokers, payable on call or in 30 days	167.1	153.7	139.8
Trust, loan, mortgage, investment insurance and other financial institutions	125.3	111.7	112.1
Total Financial	292.4	265.4	251.9
Personal:			
Individs. for nonbusiness purposes on security of stocks and bonds	379.0	434.2	362.7
Individs. for nonbusiness purposes not elsewhere classified	311.1	308.4	253.0
Total personal	690.1	742.6	615.7
Agricultural, Industrial, Commercial:			
Farmers	304.6	333.5	282.8
Industry:			
Chemical, rubber products	64.0	57.0	63.9
Electrical apparatus, supplies	40.1	38.4	19.5
Food beverages, tobacco	163.9	186.4	163.7
Forest products	148.5	129.1	154.6
Furniture	18.4	16.5	15.6
Iron and steel products	141.0	116.1	124.4
Mining and mine products	66.3	67.9	58.4
Petroleum and products	63.9	60.5	38.3
Textiles, leather and clothing	177.6	164.2	166.3
Transportation equipment	59.1	55.8	60.5
Other products	57.4	54.1	49.8
Total industry	1,000.2	946.0	879.8
Public utilities, transportation commun'n	50.8	59.7	52.4
Construction contractors	160.0	162.7	141.2
Grain dealers, exporters	394.4	391.2	270.7
Installment finance co's	176.5	226.3	189.0
Merchandisers	607.8	584.2	522.4
Other businesses	194.8	186.2	154.6
Total Agricultural, Industrial and Commercial	2,889,1	2,889.8	2,492.9
Total Loans in Canada	4.067.5	4,052.3	3.535.0

Paperwork, Overhead, Losses Make Cheque Cashing Costly

"This hurts us more than it hurts you."

That sums up the attitude of banks toward service charges on cheques. But for clients with savings accounts, the service charge—recently increased from eight cents to 10c per cheque—now hurts more than ever.

The service charge is paid by the depositor who issues the cheque, and not by the person cashing it. The charge is not to be confused — but frequently is — with the exchange that banks charge for cashing cheques drawn on out-of-town banks.

Every savings depositor is entitled to a certain number of free cheques, depending upon his minimum quarterly balance. Periodically, the bank takes a look at every account and, if the number of cheques issued exceeds the free limit, the depositor's account is charged 10c for each excess cheque. The depositor, of course, pays no service charge on cheques he receives and cashes at his own bank.

The service charge for cashing a cheque or a savings withdrawal slip is to pay for the work entailed at the bank.

If there is money to be made in cashing cheques, is there anything to prevent anyone from performing this service and charging a fee?

No, say the bankers. But it's a risky way to make money.

Cashing cheques is, and has been for a long time, a sideline with small entrepreneurs such as corner grocers, druggists and tobacconists. In some cases, the service is given as a goodwill builder. In others, a fee of about 25c is charged.

Cheques cashed most readily are those issued on payday by large, well-known firms. Late-working employees who receive their cheques on Friday nights, after the banks have closed for the week end, turn to the small, neighborhood merchant for cash — and the merchant turns a profit on Monday morning when he presents the cheques to his bank.

There are other, less widely used methods of converting cheques to cash. For instance some large industrial firms contract with such organizations as Brinks Express to have their employees' cheques cashed at the plant. The company generally pays Brinks in these cases.

The possibility of loss is one strong deterrent to anyone contemplating the establishment of a large-scale cheque-cashing service. In case of forgery, the party who cashed the cheque would have to stand the loss.

Another problem would be to keep sufficiently large quantities of cash on hand to meet requirements. For the sake of safety, a fairly complete record system would have to be maintained, so that cheques could be traced back, when necessary, to the persons who presented them.

One banker suggested to The Post that the field of cashing cheques for employees of industrial plants might be a suitable one for credit unions.

Do banks discriminate among depositors in making their service charges?

Definitely not, say the banks—before qualifying their answer.

Variations are allowed sometimes according to size of minimum quarterly (or monthly) balances, work entailed in operating an account, degree of profit derived from the account, etc.

For example, a depositor might have a relatively small minimum balance, but might provide the bank with a good deal of profitable business in the form of large transactions in foreign exchange. In such circumstances, the manager might give the depositor a discount on service charges. But he would have to be prepared to satisfy the bank's auditors that such a reduction was justified.

Staff Changes

Chartered banks announce the following staff changes.

Nova Scotia:

E. A. ROBERTSON, to be an assistant supervisor at general office, Toronto.

H. G. WASHBURN, an inspector at general office, Toronto, to be an assistant supervisor, that office.

E. M. McDONALD, to be accountant Bank & Gladstone, Ottawa.

D. R. PRICE, accountant, Yonge & Dundas, Toronto, to be accountant Bloor & St. Clarens, Toronto.

V. C. SMITH, to be accountant, 41st Avenue & Granville, Vancouver.

G. D. McAULEY, to be assistant accountant, New Glasgow, N.S.

A. J. WOLFE, accountant, Jasper & 114th St., Edmonton, to be an assistant accountant, Calgary.

J. B. GIESBRECHT, to be accountant, St. Catharines, Ont.

J. FRASER MACDONALD, to be accountant, Sarnia, Ont.

A. N. WILSON, to be assistant accountant, Central Collection Department, Montreal.

• • •

Commerce

G. I. D. ARCHIBALD, assistant accountant, Trail, B.C., to be accountant, Oliver, B.C.

N. CHADWICK, accountant, Oliver, B.C., to be accountant, Robson Dist., Vancouver.

C. J. CORBETT, to be an assistant accountant, New York, N.Y.

W. C. DOOLAN, to be assistant accountant, Trail, B.C.

S. F. GILMORE, formerly accountant, Locke & Herkimer, Hamilton, to be manager, St. Paul St. West, St. Catharines.

R. GREGOIRE, manager, Malartic, Que., to be manager, St. Chrysostome, Que.

R. B. GRIEVE, an assistant accountant, Spadina & College, Toronto, to be accountant, Mount Pleasant & Manor, Toronto.

J. G. D. HUME, to be accountant, Queensway & Kipling, Toronto.

J. J. LAWRENCE, accountant, Rouyn, Que., to be manager, Malartic, Que.

R. C. LeBLANC, to be accountant, Noranda, Que.

J. L. LEDOUX, manager, St. Chrysostome, Que., to be manager, Chambly, Que.

H. W. E. MALLALIEU, accountant, Noranda, Que., to be accountant, Rouyn, Que.

W. G. MAY, to be accountant, Barton & Parkdale, Hamilton.

S. A. NEWMAN, to be assistant accountant, Brandon, Man.

J. H. STEWART, accountant, Dundas & Gladstone, Toronto, to be an assistant accountant, Spadina & College, Toronto.

W. E. STODDART, assistant accountant, Brandon, Man., to be accountant, Flin Flon, Man.

G. R. SUTHERLAND, accountant, Flin Flon, Man., to be manager, Turtleford, Sask.

L. TAYLOR, formerly manager, Havre St. Pierre, Que., to be manager newly opened branch, Geraldton, Ont.

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Dominion Unit Tops Sales Record

The newest unit of Dominion Stores Ltd., opened only a few weeks ago as the second store in Sudbury, has already exceeded all previous records in sales.

This was revealed at the annual meeting of the company by President J. William Horsey, as an example of the kind of business Dominion is currently doing, reflecting the effect of the company's development program both in new retail units and organizational staff.

The company is growing with Canada, stated Mr. Horsey. "We intend to do all within our power not only to capitalize on this growth in the development of the business but to be one of the leaders in an ever-growing Canada."

New feature in employee development plans, greater efficiency in operations and physical expansion are all receiving equally aggressive attention.

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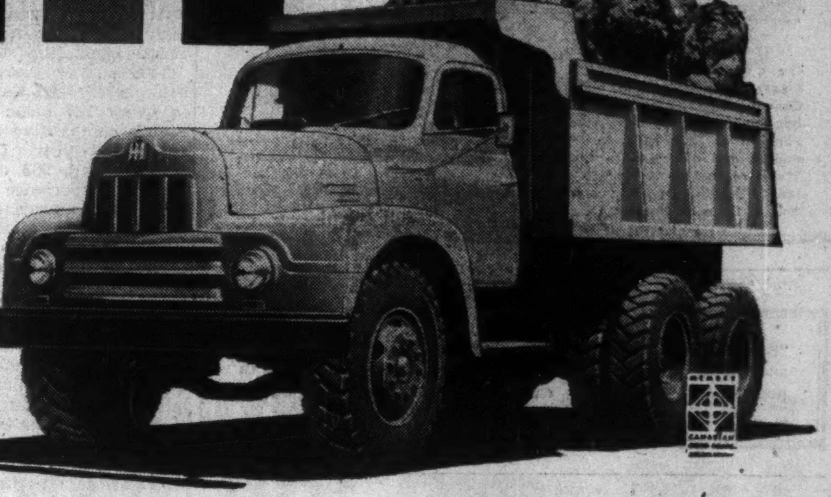

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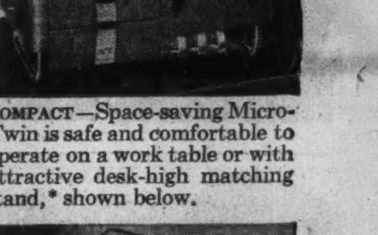

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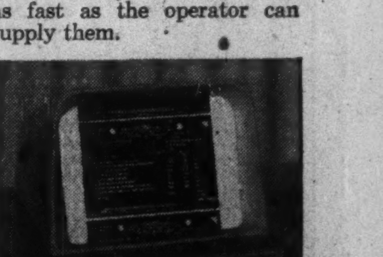

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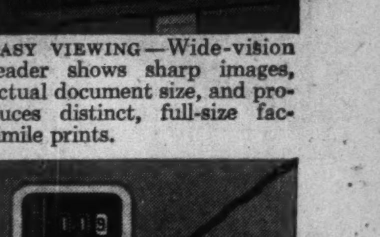

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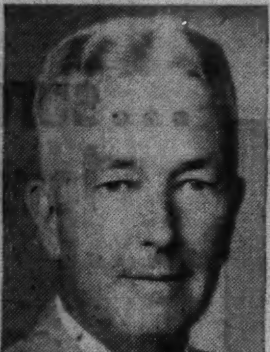

HAROLD F. CLEARY

The appointment of Russell E. Ritchie as Vice-President, and Harold F. Cleary as Vice-President and Construction Manager of Stone & Webster Canada Limited, Toronto, is announced by John W. McKee, Chairman of the Board. Mr. Ritchie, a Vice-President of the Stone & Webster Service Corporation of New York, has specialized principally in the field of public utilities and natural gas. Through his long association with the Stone & Webster Engineering Corporation of Boston, Mr. Cleary has been prominently identified with construction activities throughout the United States and in Canada.

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Why 1,093 Businesses Failed In '53

Complete Analysis Grouped By Cause, Class of Business

The failure rate of Canadian businesses is still on the upswing.

According to a study recently made by Dun & Bradstreet of Canada, 44 out of every 10,000 failed to make the grade in 1953. In 1952, the figure was 37.

From a low of 0.6% in 1945, the trend has been steadily upward to the present .44%. But it is still a long way below the 1900-1953 average of .95%, and even further away from the all-time high of 1932 when 161 in every 10,000 businesses shut up shop.

The survey shows that approximately 226 Canadian firms in every 227 came through the highly competitive conditions in trade last year. Of the 1,039 which failed, 933 or 89.8% had lack of experience in the line, lack of managerial experience, unbalanced experience or incompetence as the root cause. And the greatest of these was lack of managerial experience at 35.9%.

Neglect is listed as causing another 61 or 5.8% of the failures, 32 or 3.1% were due to disasters such as fire, burglary, flood, employees' fraud and strike, and 11 or 1.1% were due to fraud on the part of the principals, reflected by misleading name, false financial statement, premeditated overbuy, irregular disposal of assets and other causes.

In only two cases was the reason for failure given as "unknown."

The accompanying tables show the apparent causes of business failures during the past year, based on the opinion of informed creditors and information in Dun & Bradstreet's credit reports, and the breakdown of failures by groups of industries and provinces.

Here is the failure rate per 10,000 firms for each year since 1900:

Year	Failure Rate per 10,000	Year	Failure Rate per 10,000
1900	140	1927	125
1901	145	1928	120
1902	116	1929	128
1903	101	1930	152
1904	125	1931	143
1905	132	1932	161
1906	113	1933	138
1907	116	1934	90
1908	145	1935	78
1909	123	1936	71
1910	104	1937	55
1911	104	1938	58
1912	99	1939	72
1913	119	1940	64
1914	194	1941	49
1915	110	1942	36
1916	114	1943	11
1917	77	1944	6
1918	62	1945	6
1919	54	1946	7
1920	73	1947	15
1921	159	1948	23
1922	228	1949	27
1923	195	1950	32
1924	148	1951	36
1925	141	1952	37
1926	128	1953	44

As shown in the following table, one-year-old business had the highest mortality rate. Firms set up in 1952 accounted for 15 3% of 1953's failures. Here is the complete list of when the failures of last year started in business.

Start'g Year	Per Cent	Start'g Year	Per Cent
1953	4.0	1943	2.0
1952	15.3	1942	0.8
1951	13.2	1941	1.6
1950	11.9	1940	1.9
1949	10.4	1935-1939	3.3
1948	7.3	1930-1934	3.2
1947	8.1	1925-1929	0.9
1946	7.9	1920-1924	0.3
1945	3.9	1900-1919	1.7
1944	2.3	Before 1900	..
		Total	100.0

Heading the list in number of failures, as in each year since 1948, was the retail trade. Food stores appeared to be the most vulnerable with 117 out of the 568 retail failures, with firms concerned with automotive products coming second with 85.

Retailers headed the list for liabilities, too, with a total of $11,779,000. Manufacturing took second place (it was first in 1952) with $8,943,000.

Once again wholesale supply houses maintained their record. They have listed a nil return in failures since 1942. The wholesale fuel firms were the only other blanks in the list this year. They have only had two failures since 1950.

Groups that showed the greatest rise in failures over 1952 were furniture and household furnishings, building sub-contractors, farm supplies and general stores, apparel retailers, restaurants, and the miscellaneous classification in the commercial service group.

On a provincial basis, Quebec tops the list with a total of 615, of which 325 were in the retail section of business. Ontario comes next with 239, and British Columbia is in third place with 74.

Business failures in the first quarter of 1954 totaled 407, 68% up on last year's first quarter figure of 242.

Failures By Industry, Class, Province

Province:	Manufacturing No.	Manufacturing Liab. ($000)	Wholesale Trade No.	Wholesale Trade Liab. ($000)	Retail Trade No.	Retail Trade Liab. ($000)	Construction No.	Construction Liab. ($000)	Commercial Service No.	Commercial Service Liab. ($000)	Total No.	Total Liab. ($000)
Nfld.	...	...	2	23	9	210	...	...	...	...	11	233
P. E. I.	...	...	...	...	1	20	...	...	...	...	1	20
Nova Scotia	2	117	...	...	2	155	1	52	...	...	5	324
N. Brunswick	...	...	...	...	13	251	...	...	...	...	13	251
Quebec	107	4,393	59	2,343	325	5,923	83	1,835	41	570	615	15,064
Ontario	47	2,438	15	916	123	2,919	41	1,396	13	795	239	8,464
Manitoba	11	598	4	106	22	575	5	115	3	92	45	1,486
Saskatchewan	1	33	1	12	9	241	...	...	...	...	11	286
Alberta	1	558	3	192	14	303	6	401	1	41	25	1,495
Br. Columbia	16	806	1	13	50	1,182	6	678	1	2	74	2,681
Total	185	8,943	85	3,605	568	11,779	142	4,477	59	1,500	1,039	30,304

The Principal Causes Of Failure

ALL LINES OF BUSINESS Number	%	UNDERLYING CAUSES		ALL METHODS OF OPERATION APPARENT CAUSES	Number	%
61	5.8	Neglect	Due to:	Bad habits	14	1.3
				Poor health	31	3.0
				Marital difficulties	1	0.1
				Other	15	1.4
11	1.1	Fraud.	On the part of the principals, reflected by:	Misleading name	—	—
				False financial statement	4	0.4
				Premeditated overbuy	2	0.2
				Irregular disposal of assets	4	0.4
				Other	1	0.1
187	18.0	Lack of experience in the line	Evidenced by inability to avoid conditions which resulted in:	Inadequate sales	533	51.3
373	35.9	Lack of managerial experience		Heavy operating expenses	81	7.8
136	13.1	Unbalanced experience*		Receivables difficulties	196	18.9
237	22.8	Incompetence		Inventory difficulties	84	8.1
				Excessive fixed assets	70	6.7
				Poor location	36	3.5
				Competitive weakness	147	14.1
				Other	49	4.7
32	3.1	Disaster	Some of these occurrences could have been provided against through insurance:	Fire	18	1.7
				Flood	—	—
				Burglary	2	0.2
				Employees' fraud	4	0.4
				Strike	—	—
				Other	8	0.8
—	—	War mobilization		Shortage of manpower	—	—
				Shortage of material	—	—
2	0.2	Reason unknown				
1039	100.0	Total				

Because some failures are attributed to a combination of apparent causes, the totals of these columns exceed the totals of the corresponding columns on the left.

*Experience not well rounded in sales, finance, purchasing and production on the part of an individual in case of a proprietorship, or of two or more partners of officers constituting a management unit.

The Record By Groups

	1951 No.	1951 Liabilities ($000)	1952 No.	1952 Liabilities ($000)	1953 No.	1953 Liabilities ($000)
TOTAL CANADA	797	19,048	843	19,823	1,039	30,304
MANUFACTURING						
Foods	15	317	21	863	12	705
Textiles	60	1,338	60	2,459	62	2,810
Forest Products	41	2,324	40	1,728	42	1,327
Paper, Printing, Publishing	11	350	12	484	7	147
Chemicals and Drugs	4	54	6	185	3	254
Fuels	—	—	—	—	2	586
Leather and Leather Products	5	230	12	436	5	94
Stone, Clay, Glass and Products	5	41	7	304	2	35
Iron and Steel	7	279	4	92	7	1,132
Machinery	7	631	13	299	8	445
Transportation Equipment	1	329	2	100	2	262
All Other	18	516	28	837	33	1,146
Total Manufacturing	174	6,409	205	7,787	185	8,943
WHOLESALE TRADE						
Farm Products, Food, Groceries	19	366	22	477	19	616
Clothing and Furnishings	6	60	3	253	4	125
Dry Goods and Textiles	—	—	8	139	13	929
Lumber, Bldg. Materials, Hdwe.	6	201	7	286	10	609
Chemicals and Drugs	3	101	3	15	5	216
Fuels	1	129	—	—	—	—
Automotive Products	3	75	2	17	3	66
Supply Houses	—	—	—	—	—	—
All Other	34	1,960	28	1,098	31	1,044
Total Wholesale Trade	72	2,892	73	2,285	85	3,605
RETAIL TRADE						
Foods	98	1,155	102	1,233	117	1,419
Farm Supplies, General Stores	17	404	16	200	30	634
General Merchandise	17	470	23	212	25	446
Apparel	54	653	60	880	78	1,442
Furniture, Household Furnishings	39	745	36	854	64	2,716
Lumber, Bldg. Materials, Hdwe.	27	529	24	558	35	573
Automotive Products	40	815	58	1,720	85	3,287
Restaurants	53	440	55	534	71	604
Drugs	3	59	8	172	7	83
All Other	39	423	36	522	56	575
Total Retail Trade	387	5,693	418	6,885	568	11,779
CONSTRUCTION						
General Contractors	44	1,039	49	1,267	59	2,028
Carpenters and Builders	9	147	9	56	7	166
Building Sub-Contractors	59	1,267	46	841	74	1,931
Other Contractors	4	107	2	32	2	352
Total Construction	116	2,560	106	2,196	142	4,477
COMMERCIAL SERVICE						
Cleaners, Dyers, Tailors	7	40	5	60	7	51
Haulage, Buses, Taxis, etc.	15	428	14	213	13	322
Hotels	9	563	7	146	6	92
Laundries	3	113	2	146	2	8
Undertakers	2	18	—	—	3	564
All Other	12	332	13	105	28	463
Total Commercial Service	48	1,494	41	670	59	1,500

U.K. Turbo-Prop. Clicks In U.S.

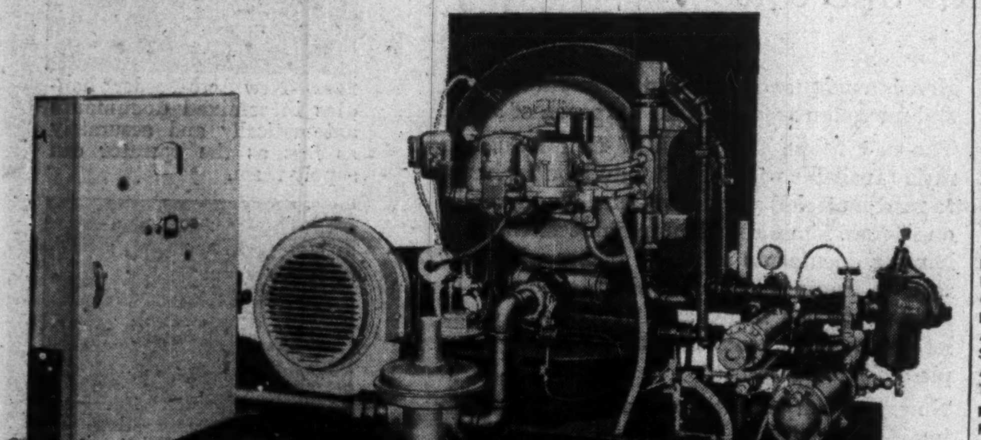
Trans-Canada Air Lines is playing a major role in pushing British dollar-earning exports.

The airline's plan to pioneer North American airline use of a turbo-prop airliner, the Vickers Viscount, has helped convince a U. S. airline, Capital Airlines, to purchase three of the British machines for delivery early in 1955 with an option on 37 more.

The attendant publicity to TCA's purchase of 15 Viscounts late in 1952 stimulated U. S. airline thinking in the direction of the British aircraft industry. Since then no U. S. aircraft builder has come up with a production model of a turbo-prop powered airline even after U. S. airline industry executives had decided that the turbo-prop was the short-haul and possibly long-haul engine of the future as a step towards economical operation of the pure-jet powered airliner, such as the Comet.

The Viscount's proven low operating cost plus the passenger attractions of lack of cabin noise and absence of vibration are understood to have helped Capital decide on Viscounts.

This marks the first time since early aviation days that U. S. airlines have bought British — now seen as the beginning of a trend. Pan American World Airways have had an option to purchase three of the giant Comet III airliners for over a year. These will not be used, however, within North America.



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OIL, GAS, OR OIL-GAS
COMBINATION BURNERS

a perfectly-balanced firing system...

in ONE factory-assembled and tested unit

FOR OIL ...

Burns any weight oil with complete dependability. Consists of heavy duty Petro horizontal rotary oil burner with steel windbox, refractory tile burner throat, secondary air volume control, motor-driven forced draft fan, and electrical control panel, all mounted on a rugged structural steel base, factory-wired and tested.

FOR GAS ...

High combustion efficiency is obtained from all types of fuel gas with this ring-type forced draft burner. Fully modulating automatic controls supply fuel and air in exact proportions required to meet load demands, with excellent fuel economy. Combustion constantly monitored by electronic controls.

FOR BOTH ...

Two complete burners—one for oil, one for gas—function independently. Fuels can be switched in a matter of seconds without loss of steam pressure, water temperature, or interruption of production. Gives alternate stand-by fuel and permits taking advantage of fuel price fluctuations. Write Petro, Dept. 23, 2231 Bloor St. West, Toronto, Ontario.

HERE THEY ARE—all the essential components of a modern firing system ... burner, forced draft fan, air volume control, and enclosed electrical control panel in *one* complete packaged unit. It provides a sure way to modernize any boiler room for dependable, economical operation. Engineered to fit specific boiler and fuel requirements, it is installed as an integral working unit. Fully modulating controls follow variations in load demands. Forced draft system gives peak performance from the moment the burner starts, without dependence on high stack for draft. Exceptionally quiet operation. Write for specification sheets and full details.

Residential Oil and Gas Burners, Oil and Gas Furnaces and Boilers, Industrial and Commercial Oil, Gas and Oil-Gas combination Burners

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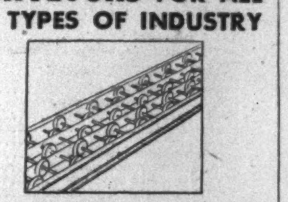

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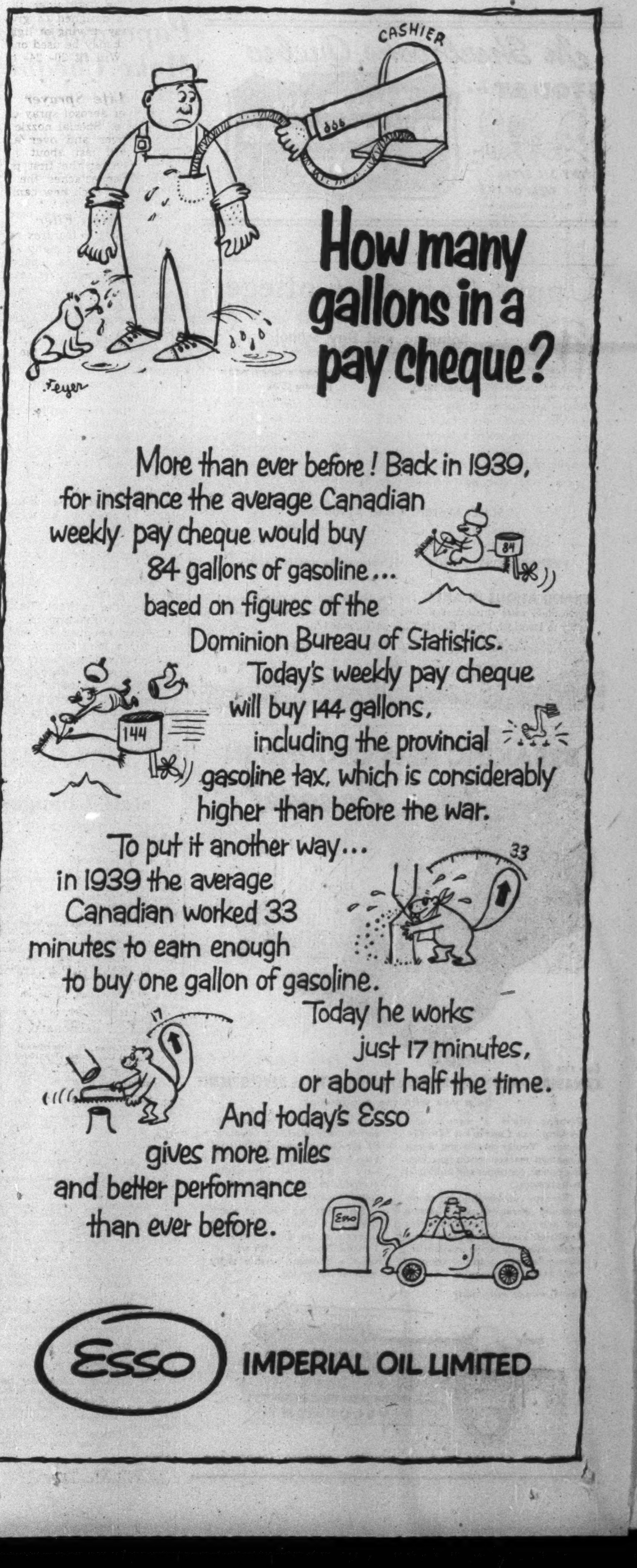


How many gallons in a pay cheque?

More than ever before! Back in 1939, for instance the average Canadian weekly pay cheque would buy 84 gallons of gasoline... based on figures of the Dominion Bureau of Statistics.

Today's weekly pay cheque will buy 144 gallons, including the provincial gasoline tax, which is considerably higher than before the war.

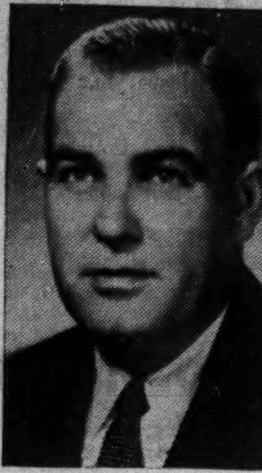
To put it another way... in 1939 the average Canadian worked 33 minutes to earn enough to buy one gallon of gasoline.

Today he works just 17 minutes, or about half the time.

And today's Esso gives more miles and better performance than ever before.

Esso IMPERIAL OIL LIMITED

ANNOUNCEMENT



W. E. IRELAND

W. E. Ireland, vice-president of B. F. Goodrich in Canada, has been elected a Director of the company, it was announced recently by Ira G. Needles, president of B. F. Goodrich in Canada. Mr. Ireland, formerly vice-president tire sales, has also been appointed as Vice-President Sales with responsibility for all sales divisions of B. F. Goodrich in Canada.

What's New

New Products, Applications and Ideas Gathered from World-Wide Sources or Made in Canada for the First Time

Men Will Make Passes . . .

. . . at girls who wear hearing aids. Designed to be distinctive rather than invisible, new aid comes in a variety of styles. One has a candy stripe receiver cord which is caught at the shoulder by a scatter pin while the instrument case, rhinestone encrusted, is modeled as a belt fob. Other creations include hat, brooch, and buckle styles.

* * *

Cinch Ice Creamer

Electric ice cream freezer requires no stirring or beating, takes only one hour to make a full quart. Patented "magic motion" agitator with twin blades automatically stirs the ice cream as it freezes, leaves no grainy ice flakes, shuts off automatically when ice cream is soft-frozen. Made of stainless steel, with aluminum motor housing. 110 - volt, 60 - cycle a-c motor; self-oiling bearings. Over-all size: 2⅛ in. x 4 in. x 12½ in. — fits any modern refrigerator.

* * *

Tripper's Money Guide

ATTENTION:

Canadian Manufacturers and Distributors

Publicize your new products. Send The Post news for mention in this column.

Off to Europe? New currency calculator printed in black and red on white plastic fits conveniently into your passport. Handy quick-reference chart of foreign exchange. Compares currency values of 14 European countries straight across the board to give at-a-glance approximate information. On the back of the chart, time is compared between leading world capitals, measurements in miles and kilometres, gallons and litres, pounds and kilos. Also compares European sizes of apparel with American sizes.

* * *

Personal Hopper

For quick travel an easy-to-fly helicopter for individual use is now available in the U. S. Carries enough fuel for 300 miles.

* * *

Single Belt Dictator

Electronic dictation machine employs an endless magnetic belt which can be reused an unlimited number of times. Has a 15-minute limit and can be mailed, or filed. Since there is no stylus used, there is no wear on the belt, no surface and operating noises. An erasure is made by simple backspacing and redictating over the original. Special feature of the transcribing unit is an automatic backspacer which lets the transcriber know where she left off, and gives continuity when she starts up again.

* * *

Midsize Tire

Bicycle tire, narrower than balloon size but wider than regular, is designed to give speed and easy driving of lightweight tire but may be used on balloon rims. Will fit 20- 24- or 26-in. wheel.

* * *

Long Life Sprayer

Cheaper aerosol spray cans now possible. Special nozzle may be used over and over again, in fact will last about 10 to 12 cans. After the first purchase, customer attaches the original nozzle to each new can.

* * *

Pushbutton Filer

Elevator file features ready accessibility to as many as 300,000 records. Saves space, time, effort and improves record control. Operated by pressing pushbutton until desired tray comes into working position. Motorized file has "electric brain" which automatically brings each group of trays to the operator by the shortest route. No record is more than three seconds away. Accommodates large variety of card sizes, has a positive safety device to stop motor if operator's hand gets in the way, can be operated by hand crank if power fails.

* * *

Portable Presser

Special presser for trousers, sleeves, pleats, etc. is ideal for travelers. Ironing board or damp cloth unnecessary and it's impossible to scorch or cause shine, claim the manufacturers. Operated by pressing a trigger and running it over the crease that's to be restored.

* * *

New Catalogues

Bowater's, Corner Brook, Newfoundland. Illustrated, 64-page brochure, put out by the parent U. K. firm, shows some of the many uses of Bowater paper. In a section on newsprint the history of news reporting is traced by comparing methods of telling the story of "The Coronation" from the First Elizabeth to the Second. Reproductions of Thomas Bewick's famous woodcuts in one section of the brochure, and styles of type and layout for paperbacks or hardbacks in another illustrate the trade done for the book publishing business. A section on packaging, with colorful inserts, displays many qualities of paper and promotion ideas for this industry.

John T. Hepburn Ltd., Toronto. An illustrated, two-color booklet describes the various facilities and the background of this company's four modern plants and eight company divisions which include structural steel, machine tool, foundry, general machine shop, material handling, gear and transmission, construction equipment and warehouse steel.

Waste Paper Market Sags

Memos, publicity releases, written communications and newspapers may be the lifeblood of business and present-day living but what happens when all the paperwork is finished?

Toronto, for instance, has too much for its own good.

The Ontario capital is one of the largest per capita producers of waste paper on the continent. So much so that there is little market now for lower, bulky grades of waste paper.

Among the results:

Companies which once realized a steady income from sales of paper waste are getting nothing or even paying to get it hauled away; waste paper distributors are trying to cut supply to match demand with little apparent success so far; war veterans and others, who used to make money collecting and selling waste paper, are without this source of income.

The situation is reported similar at many other Canadian points.

In Toronto, the problem of what to do with the paper is becoming pressing. It cannot be burned and the only dump available soon will be full. It cannot be used in sanitary fill to fill up marshy land for park purposes because it is inflammable.

Oversupply is a major reason for current troubles. Another is the fact that the demand for higher-quality cartons has cut the demand for waste paper for use in carton manufacturing.

The inability of the paper mills to match supply with demand means a once-flourishing business now is limping badly.

Moot Hog Export To Prop Prices

Another signpost to lower pork prices this fall is producer discussion of a possible fund to subsidize exports during times of hog surplus.

However, the Ontario Hog Producers Marketing Board and Association is not going ahead with a $5-million fund for this purpose.

Although the association has discussed the subject and would like to do something to export pork when supply is heavy, it cannot act unless the rest of the nation's hog industry co-operates in any such scheme.

Since all hog producers are not organized into marketing boards this is impossible. Result is that any attempt to keep up domestic hog prices in Ontario by subsidizing exports would attract hogs from the rest of Canada, where no such setup would be in operation.

The suggested Ontario plan would involve a levy of (possibly) $1 for each hog marketed.

Current discussion reflects the virtual certainty that hog and pork prices will drop sharply from present highs. Extreme production swings are responsible for both today's hefty prices and expected heavy marketings this fall.

There are predictions that the increase in weekly marketings of hogs will be as much as 55%, although most estimates are lower.

CORE Communications Research, Toronto, and Alan C. Russ Marketing Research, New York, have established a working affiliation to serve clients in the United States and Canada. While each company will maintain its separate identity, this exchange of service agreement will broaden the scope of operations of each in more fully providing market research and service facilities in the two countries. The announcement was issued jointly by Albert Shea, president of Core and Alan C. Russell, president of the U. S. firm.

Community Chest Drive Raises $14 Millions

Canada's Community Chests increased by 7½% over last year the amount raised in this year's campaign—a total slightly over $14 millions.

The money was raised by 62 Community Chests, reports Community Chests chairman W. Preston Gilbride. Serving a population area of six million Canadians, Canada's Community Chests now include 923 Red Feather Agencies, 53 agencies more than were included in the previous year.

St. Thomas expanded its community chest into the Elgin-St. Thomas United Welfare Fund and raised $99,825, 117% of its quota and approximately 60% more than was raised by the individual appeals last year.

New chests were formed during the past year in St. Catharines.

NOTICE

Notice is hereby given that the Insurance Company of North America has received from the Department of Insurance, Ottawa, Certificate of Registry No. C 1497 authorizing it to transact in Canada:

WATER DAMAGE INSURANCE,
limited to the insurance of the same property as is insured under a policy of fire insurance of the company,
BOILER INSURANCE,
excluding Machinery Insurance,
PERSONAL ACCIDENT INSURANCE,
PLATE GLASS INSURANCE,
PUBLIC LIABILITY INSURANCE,
and
THEFT INSURANCE

in addition to the classes for which it is already registered.

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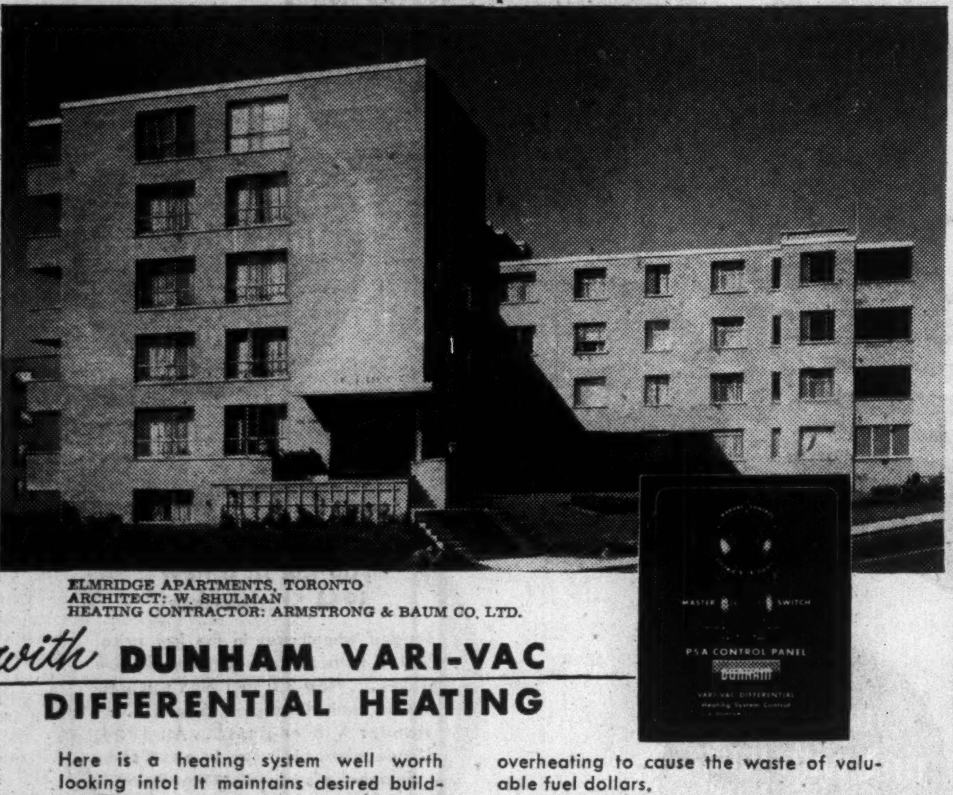
Offices also in principal cities in the U. S. A., Havana, Cuba and London, England

they live in Comfort

in the ELMRIDGE APARTMENTS

and the management **saves up to 40% on fuel, too . . .**



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Here is a heating system well worth looking into! It maintains desired building temperatures at really low fuel and operating costs — every day of the heating season.

Dunham Vari-Vac Differential Heating provides a continuous controlled flow of steam through the system — at pressures and temperatures that vary with the weather. Heat supply and demand are always in balance—regardless of rapid or frequent outside weather changes. As a result, comfortable temperatures are maintained—all the time—without any overheating to cause the waste of valuable fuel dollars.

A CHOICE OF CONTROL SYSTEMS TO SUIT YOUR NEEDS — in new or existing buildings. There is a control system available for every size and type of building, regardless of its age or location. Whether you choose a manually operated job or a fully automatic installation, you can be sure of getting maximum fuel economy and comfort.

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Learn all about this economical heating system — how it operates, how it may be fitted exactly to your needs. Write for your copy today!

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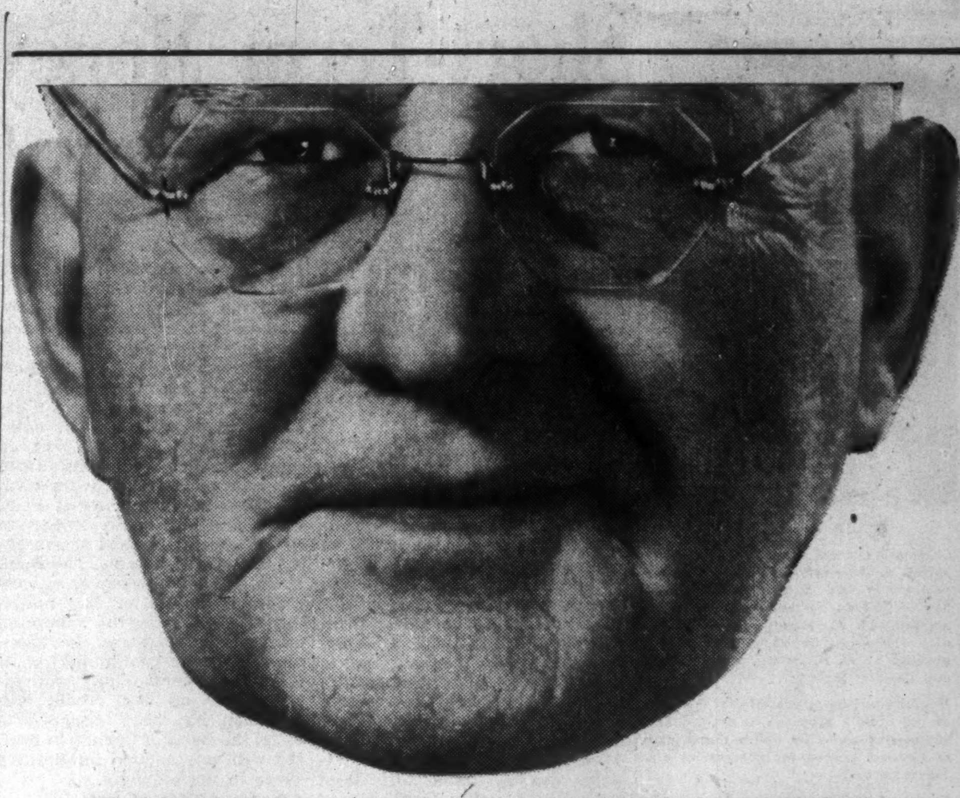
"EXPORT"
CANADA'S FINEST CIGARETTE



How many of your men are over 60 ?

Today, you may have only one or two . . . perhaps a dozen at most. But what about tomorrow? Statistics show that right now there are 78% *more* Canadian men between 60 and 70 than there were just 20 years ago!

Think how this tremendous increase in men over 60 can affect the economy and efficiency of your company's operation!

Your answer to this vital problem lies in a Confederation Life Group Retirement Annuity Plan. It provides protection for retiring employees. And it makes room for the promotion of younger men. The effect on the goodwill of your employees— and the future prosperity of your company—more than justifies its cost.

For *complete* Group Insurance Service . . . consult Confederation! Fifty offices in Canada and United States.

At 65, only 35 men out of 100 are financially independent!

Over 25 Years Group Insurance Service

Write for free booklet "Complete Group Insurance Service"

☐ Group Life
☐ Weekly Benefits for Sickness & Accidents
☐ Hospitalization Benefits
☐ Surgical Fee Benefits
☐ Medical Benefits
☐ Diagnostic Benefits
☐ Dependent Benefits
☐ Accidental Death & Dismemberment Benefits
☐ Retirement Annuity Plans
☐ Salary Savings Plans

Confederation Life
ASSOCIATION

HEAD OFFICE—TORONTO
FOUNDED IN 1871
54-20

No loss here!

and this was **a fireproof building!**

The time to check your insurance is before a loss occurs.

This busy manufacturing plant was completely gutted by fire — WITHOUT LOSS!

The company was soon back in business in a new, modern building on the same location. While the building was under construction, the company's insurance portfolio took care of the rental charges for temporary premises. In addition the increased costs of advertising were met, payments on taxes, interest and mortgages were maintained, key personnel were kept on the payroll and the company's net profit was adjusted as though no fire had occurred.

A survey of *your* insurance portfolio by Cronyn, Pocock & Robinson will soon reveal any gaps in protection, not plainly evident in the mass of legal jargon of insurance policies. Such a survey could and has not infrequently resulted in increased coverage at a reduced cost.

PROTECTING INDUSTRY SINCE 1850

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Cronyn, Pocock & Robinson
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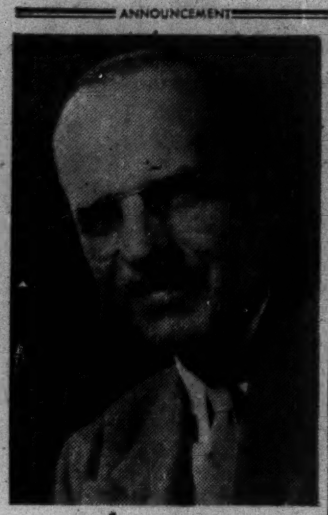

ANNOUNCEMENT

PHILCO APPOINTMENT

Culminating twenty-five years in many phases of the electronic industry and the post-war period with Philco Corporation of Canada Limited, Mr. J. A. Price's appointment as Manager, Government and Industrial Department, was announced by W. H. Jeffery, Vice-President and General Manager.

Mr. Price will be responsible for the sales of the rapidly growing list of electronic equipments made by Philco Corporation of Canada Limited for government and industrial use.

Horse-shoes by TIFFANY'S

AROUND THE END of the last century, when aluminum was practically a precious metal, a famous racing stable had one of its thoroughbreds shod with racing plates of the weight-saving material. They were made at Tiffany's, the famous New York jewellery house.

Nowadays it is standard practice for race horses to run on aluminum shoes. Since the turn of the century the price of aluminum has been reduced to the point where it is now one of the most economical of all materials, extensively used for things like barns and boats and bus bodies. Aluminum Company of Canada, Ltd. (Alcan).

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★ ACCIDENT & SICKNESS
★ PLATE GLASS
★ BURGLARY
★ BONDS

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Short-Term Money Market Milestone

Banks, Investment Dealers Join To Cut Cost Of Business

Details of Canada's new day-to-day loan market, which began operating this week, were outlined by T. H. Atkinson, president, at the annual meeting of the Canadian Bankers' Association at Montebello, Que. Mr. Atkinson also described other innovations in Canadian banking this year. Here is a digest of his speech:

By T. H. ATKINSON

The last few months have been extremely important for Canadian banking. Parliament has authorized the chartered banks to make housing loans on the security of mortgages and the law is now in operation. Parliament has also practically concluded a revision of the Bank Act, a recasting of the basic banking law to bring it into line with today's economic conditions. Side-by-side with that, three-way discussions, among the chartered banks, the Bank of Canada and the investment dealers have just been concluded for the establishment, for the first time in Canada, of a day-to-day loan market as part of an enlarged short-term money market.

MORTGAGE LENDING:

The National Housing Act, 1954, in force since March 22, enables banks to lend on mortgage or hypothec on new housing projects, a departure from a long-standing prohibition in Canadian banking laws. The banks did not seek this authority. However, as it resulted from government policy, I believe that a spirit of willingness on the part of the banks to give this new power a fair chance to work may reasonably be assumed. As with the exercise of all other banking powers, the extent of the operations in this new field, consonant with recognition of the prime obligation for the safeguarding of the confidence of depositors, will remain the responsibility of the management of each bank.

Parliament is in the process of completing the eighth decennial revision of the Bank Act which was passed originally in 1871.

The 1954 revision proceedings, conducted by the Banking and Commerce Committee of the House of Commons, were broad in scope and resulted in several basic changes in banking law. Of the many amendments, perhaps the most important was the introduction of the principle of variable cash reserves.

CASH RESERVES:

The new method of setting cash reserves, embedded in both the Bank Act and the Bank of Canada Act, represents a new principle. Heretofore, the chartered banks were required by law to maintain a cash reserve of five per cent of Canadian deposit liabilities in deposits with or notes of the Bank of Canada but, in actual practice, they maintained this reserve at about 10 per cent. The legal minimum now is set at eight per cent with important changes in the method of averaging the total of deposits. The Bank of Canada has the power to vary gradually and after due notice, the rate between the minimum of eight per cent and the maximum of 12 per cent as part of its function of controlling the overall volume of bank credit. This provision has been designed to assist the Bank of Canada in dealing with any sudden inflationary surge in the economy.

LOANS AGAINST OIL:

As far as the Bank Act, itself, is concerned, several other important amendments have been included. One of the most important is a whole new section empowering the banks to lend against oil in the ground.

CHATTEL MORTGAGES:

The Banking and Commerce Committee inserted a provision in the bill, which was accepted by the House of Commons, enabling banks to take a chattel mortgage or other security on household goods, including motor vehicles, in the case of loans to individuals. This, again, is a new principle in Canadian banking and it will be interesting to see how it works out.

OTHER CHANGES:

There were many changes of a technical nature made in the Bank Act. The note-issuing privileges of the banks, in process of progressive reduction since the Bank of Canada was set up in 1934, now are wiped out. Changes were made, the first since 1890, in the capital requirements for a new bank. The minimum subscribed capital was increased from $500,000 to $1,000,000 and the minimum paid-up capital from $250,000 to $500,000. Amendments were made in the method of offering stock, designed to make it more feasible for banks to obtain new capital, a desirable step for some banks in view of the rapid and substantial increase in bank assets in recent years. In addition, each bank, if it wishes, may make its shares more easily transferable than the present book stock, a step made possible by the termination of the system of additional liability attached to bank shares that was in force when banks had note-issuing rights.

MONEY MARKET:

I would like to turn now to the establishment of a day-to-day loan market in Canada, as an extension of the short-term money market that has been in operation for some years. This has occupied the attention of the chartered banks, the Bank of Canada and investment dealers for some months.

The expansion of the short-term money market will fill one of the very few remaining gaps in the Canadian financial system. With its establishment, Canada reaches another economic milestone because it should be borne in mind that an active money market operates in all countries that have attained any substantial degree of economic maturity. Such a market might appear to be a highly technical affair relating only to the banking system but, actually, it is a matter of much greater importance. It should have a direct bearing on the efficient channeling of funds for development purposes and capital investment. It should increase the mobility of short-term capital, thereby helping to reduce the cost of doing business, a highly desirable factor in a nation such as Canada that is so dependent on world markets.

MAY BE EXPANDED:

It was not expected that a full-fledged money market, such as those operating in New York or London, could be created overnight but a practical start has been made and in time it may be expanded.

The banks will make available to jobbers in Government of Canada securities who have been granted rediscount facilities with the Bank of Canada a new category of call loans to be known as day-to-day loans which will be secured by Treasury Bills or Government of Canada bonds maturing within three years. These loans will be granted on a strictly day-to-day basis at the convenience of the individual banks when they have surplus cash available to employ in this manner.

RATES WILL VARY:

The rates on these loans will, it is expected, tend to fluctuate within fairly narrow limits not far from the yield at any time on 90-day Government of Canada treasury bills. This will apply to all loans coming within the day-to-day category regardless of the collateral but will be flexible and set by competition among the banks, varying as the underlying money market conditions vary.

Through this new medium the banks will have a very liquid form of investment which might be considered as coming in between cash and treasury bills and one which can be utilized at a lower over-all cost than dealing directly in treasury bills every time it is necessary to adjust cash reserves. Investment dealers will also have a new facility for carrying inventories of short-term government securities at low rates of interest and on special and very low margins which should enable them to broaden considerably the scope of their operations in this field.

One aspect of the new day-to-day loans, which is common to all established money markets but is new to Canadian banking practice, is that they will be granted on a completely impersonal basis and the traditional customer-bank relationships will not necessarily exist in this form of lending. Investment dealers will borrow where they can to their best advantage and banks will be governed in granting or calling loans entirely by the surplus or deficiency in their cash reserves, always of course providing that the borrower has access to the Bank of Canada as a lender of last resort and that the collateral consists of securities acceptable to the Bank of Canada for rediscount. In these circumstances, it is apparent that pledged securities may move from one bank to another or from the banks to ultimate purchasers fairly frequently and to avoid penalizing the jobbers in their efforts to develop a broad and fluid market the banks will reduce their charges for daylight overdrafts to 40 per cent of the former tariff.

A market of this sort is essentially one where quick assets of financial institutions or commercial and industrial corporations can be put to work for short periods of time. It will serve to fill a long-felt need in the Canadian financial system and in time, when its usefulness is demonstrated and its scope widened, may become an integral part of the commercial life of the nation.

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Man. Farm Federation Wary Of Farm Union Merger Plan

From Our Own Correspondent

WINNIPEG — Officials of the Manitoba Federation of Agriculture and Co-operation are cautiously mulling the latest bit of strategy on the part of their rival for the farmer's affections, the aggressive Manitoba Farmers' Union.

The MFU — unofficially and through its president Jacob Schulz — has suggested a merger of the two groups, which have been scrapping furiously during the last year.

The fight between the farm unions and farm federations has split Prairie farm unity wide open.

There have been a number of suggestions in all three Prairie Provinces that the two opposing groups combine into one. In Manitoba, the Federation has rejected previous offers.

A big stumbling block to unity: the unions' contention that farmer co-operatives have too much say in the agricultural picture. Co-ops are prominent in the federations and fear merger offers from the unions are attempts to dominate the co-ops.

Schulz's offer, although regarded with reservations by heads of the Federation, is at least an offer of temporary truce between the two groups in the show-down as to which one will have the right to speak for Manitoba farmers.

The three-year-old Union, which has been challenging the senior position of the Federation, several months ago seized on a proposed producers' livestock marketing board as its strategic weapon in the struggle for power.

The latest offer to unite has been made by Schulz personally without formal approval of his board whose members would probably have agreed to it had it been submitted to them. In his letter to J. D. Wilton, president of the Federation, which is to be distributed among Federation locals, he made plain he was expressing his "own personal views." His suggestions:

—Both organizations to surrender their present individual identity and amalgamate under the name of United Farmers of Manitoba.

—The new organization to take over all assets of both.

—Affiliation with the Canadian Federation of Agriculture and the rival Interprovincial Farm Union Council.

—Permanent staffs to be employed by the new organization.

A Winnipeg meeting called by the Union April 8 and attended by more than 1,000 farmers decisively approved the livestock marketing plan proposed by Schulz which would give a board power to tell a farmer where, when, how, and to whom he can sell his livestock. At the time it was indicated the plan would be submitted to the government in the hope a plebiscite of producers might be taken this year.

The sweeping powers asked for the board brought fierce opposition and resulted in organization of the Manitoba Independent Livestock Producers' Association which has since become the rallying agency for fighting the Union plan. If there ever was any chance for a 1954 plebiscite, there is none now. Schulz concedes a long campaign of education is needed.

Company Reports

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

Waterworks

ELK CREEK WATERWORKS CO., Vancouver, net profit of $32,506 for 1953 was 174.5% higher than 1952 net of $11,843.

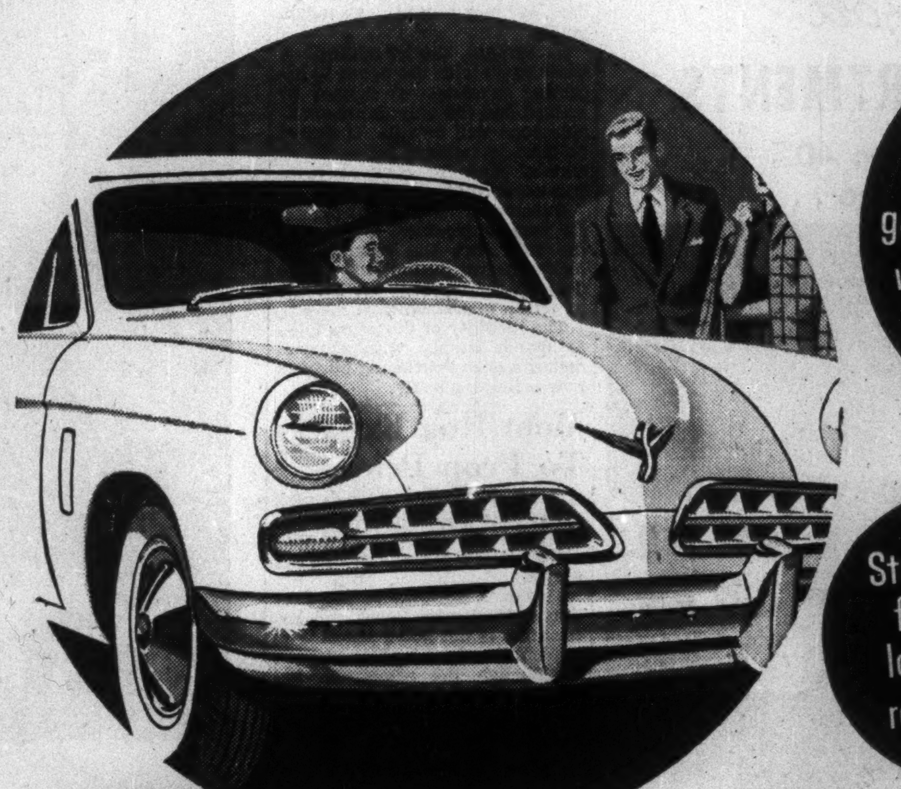
Increase in gross revenue was due principally to rate adjustment which became effective in November, 1952. At year end number of customers had increased by 114 to 3,859.

Company was notified in September that the councils of the Township of Chilliwack and the City of ship of Chilliwhack and the City of pared to purchase the company, reports President B. H. Gunning.

Additions to plant investment last year brought value of fixed assets up to $1,156,894. In addition to the 114 new water connections, nine new hydrants were added, and an altitude valve installed at the Shannon Mountain Reservoir.

Since the company is not now to be taken over by the municipalities, long term planning is now possible and 100 acres of land on Lihumitson Creek was purchased. This area, when dammed, will be capable of impounding up to 120 million gallons of water. The project will require capital investment in the region of $250,000, states the president.

INCOME ACCOUNT		
Years Ended Dec. 31:	1953	1952
Gross revenue	158,241	$120,387
Net earnings	111,536	76,637
Less: Deprec.	32,081	31,721
Bond int.	22,751	23,245
Bd. exp. w/o	1,498	1,528
Income tax	22,700	8,300
Net profit	32,506	11,843
Less: Dividends	10,000	......
Surplus	22,506	11,843
Times Bond Interest Earned‡:		
Before deprec.	4.90	3.30
After deprec.	3.49	1.93
Earnings per Share and Dividend Record:		
Common	$0.33	$0.12
Paid	0.10	...
CONDENSED BALANCE SHEET		
As at Dec. 31:	1953	1952
Cash	$27,360	$13,858
Accts. rec.	2,164	5,102
Inventories	25,325	31,720
Total curr. assets ..	54,849	50,680
Prepaid exp.‡	369	692
Special funds	3,074	574
Misc. assets	20,597	23,283
Fixed assets*	795,220	783,150
Total assets	847,118	858,379
Total curr. liabs. ..	22,792	18,559
Construct. contrib. ...	6,287	6,287
Funded debt	492,500	503,500
Capital stock	116,792	116,792
Capital surplus	106,030	106,030
Earned surplus	129,717	107,211
*After depr. of	361,665	342,438
‡Included in curr. assets in co's report.		
Working capital	32,057	32,121



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The Pro and Con of Ford's Labor Case

Here Are Main Points Placed Before Conciliation Board

Keen competition in Canada's auto industry is here to stay. Ford of Canada would jeopardize the jobs of all of its employees and the investments of its shareholders if it did anything which increased the costs of its products.

So runs the company argument which last week rejected major UAW-CIO demands. Both the union and the company have made their submissions to a Conciliation Board.

Among the most significant union demands:

—Increased wage rates and fringe benefits estimated to cost an additional 50 cents an hour.

—Union shop, with membership in the union a requirement for employment.

—National agreement for all Ford plants.

—Guaranteed 40-hour week even if it means layoffs for employees with little seniority. This is a first step toward the guaranteed annual wage goal.

—Double time for overtime. Two more paid holidays. Increased eligibility for longer vacations.

The company rejected the union's proposals, insisted on recognition of management's right to make business decisions, upheld the Rand Formula now in use.

But it went further and insisted that bargaining unit-wide seniority — now agreed upon — must go. Ford claimed that shifting workers from plant to plant to fill jobs led to inefficiencies costing $612,000 last year. Unless it is ended, the company may have to move some of its plants to other centres and decentralize its operations.

Said Vice-President Wallace Clark:

"It will be compelled to examine every avenue which will ultimately permit it to have separate, isolated plants where bargaining unit-wide seniority, if recognized, will be confined to a plant operation."

Following is a summary of union and company positions on important issues as presented to the Conciliation Board.

Monetary Demands

Union: Wants wage increases of 30 cents per hour. The auto industry, it claims, has "more than the usual number of layoffs which considerably cut down the amount of annual take home pay." As well, the historic differential in wages between autoworkers and other industry has been cut.

Other money demands include:

—Double time for work over eight hours in any one day.

—Longer vacations with increased eligibility. Workers now get one week after one year's work, two weeks after three years. Union wants two weeks after one year, three after five and four after 15.

—Two additional paid holidays, Victoria Day and Civic Holiday.

—Increased hospitalization and medical insurance. More life insurance coverage.

Company: Says if these increases were granted, "the competitive position of the company would be impaired." Average hourly earnings in March 1954 were $1.74. Fringe benefits then in effect added 30 cents. So actual cost of labor to company averaged $2.04 per hour. This is real money "just as much as the wage itself." New demands would cost another 50 cents per hour, raising the average cost of labor to $2.54.

If this extra cost could be passed on to the car-buying public it would add $186 to the retail price of the average car and $167 to a truck. But car sales are likely to be down in 1954. Price increases cannot be passed on.

Unit-Wide Seniority

Bargaining unit-wide seniority now covers the hourly paid workers at the Windsor plants. If a layoff comes, jobs are juggled according to a master seniority list covering all of the plants, and not just separate departments or even separate plants.

Union: Wants to retain this system, argues that without it there can be no real seniority rights. "It costs the company nothing to go along with the union on the seniority the employees want."

Company: Would substitute plant-wide seniority for the bargaining unit-wide. The company claims present system brings disruption. Windsor operations are in seven plants, 115 departments with 7,141 employees. Shuffling leads to inefficiencies, is like a baseball team operating on seniority, "a left-handed pitcher catching, another left-handed pitcher playing short-stop, and a clumsy, heavy catcher attempting to cover centre-field."

Surplus employees don't have the skills required when large numbers must be transferred from one plant to another.

Guaranteed 40 Hours

This union proposal is a major step toward the guaranteed annual wage goal which is likely to work into many union demands next year.

Union: Forty hour week should be maintained throughout the year. If reduction in work, should be layoffs, but the 40 hours maintained. Employees need this guaranteed income.

Company: Union demand is "a full dinner pail for some and a crust of bread for others, rather than an equitable share of the work." Employees with the least seniority would be laid off and be subsidizing those with the most. Company feels it owes a duty to all its employees, not just those with seniority. Sometimes it is better to reduce hours of work than to lay off large numbers.

Union Shop

The Rand formula has been in use at Ford's. Under it, union dues are taken off all employees whether members or not. But union membership is not a requirement of employment and non-union members don't pay initiation fees.

Union: Wants the union shop. Management would have the right to hire, but once hired, employees would have to join the union and pay initiation fees. To those who say a person should be free to join or not join an association, the union answers, "It is significant that if a person does not join such associations or club they do not participate at all in any of the benefits that may be derived." The union is required by law to bargain for all the workers, including those outside of the union. These workers should pay fully for the cost of bargaining.

Company: Believes that any employee should have the right to decide whether to join the union. Rand formula should continue. The present agreement gives union security, but with it, responsibility in the case of unauthorized strikes, etc. The company believes the union wants this section of the agreement changed to avoid some of this responsibility.

National Agreement

Under the old agreement, 7,141 hourly workers in the Windsor plants are part of one bargaining unit. Some 902 salaried workers in Windsor have their own local. But employees of plants and depots at Oakville, Etobicoke, Ontario, Winnipeg, Calgary and Burnaby bargain separately.

Union: Wants a national agreement covering all Ford plants in Canada. Agreements in all of the plants usually follow Windsor anyway One set of negotiations would do. Ford in the U. S. has a national agreement. Differences in provincial labor laws are not barriers to national agreement. There are many Canadian examples: TCA, postal employees, railway brotherhoods. Separate agreements are clumsy and inefficient and deny free collective bargaining except at Windsor, for issues settled there are usually accepted elsewhere.

Company: A national agreement would hamper company operations. It is impractical to negotiate one agreement covering widely-scattered locals and to try to fit it to the wide differences in provincial laws. Ford's national agreement in the U. S. comes under federal law. It would not be so in Canada. And in any case, the Windsor local 200 would dominate every other local.

Management's Rights

Under old agreement the union recognizes management's rights to hire, fire, transfer employees subject to grievance procedures, to locate plants, to decide on products and production schedules.

Union: Wants to delete the clauses recognizing these management responsibilities, but will withdraw this deletion proposal if company agrees to cease breaking up departments in plants and stop "moving jobs from the bargaining unit to outside plants and to cease transferring members of the bargaining unit to salaried occupations when the content of the job has not been changed." Union complains that company has hired outsiders to do jobs which should be done by its members. Union does not agree that it is management's sole responsibility to decide plant location, products to be manufactured, and production schedules.

Company: Can any union possibly be serious when it suggests that management should forego these rights which are absolutely essential for the continuation of business?

Union wants to stop reclassification of work while an agreement is in force. Model changes inevitably bring reclassification. Is the company "to refrain from putting out new models and cease to be competitive . . . ?"

Overtime

Union: All overtime should be voluntary. Double time should apply on all overtime. This would lead to proper planning by company so more employment instead of excessive overtime. But when overtime is necessary, disruption of worker's personal life should receive reasonable compensation.

Company: Refusal of even a few to work overtime could affect the earnings of many. The company doesn't like overtime. It is costly. But sometimes it is essential to keep production on schedule. If overtime impossible, schedules could never be balanced. Result would be more out of line, eventually layoffs and soaring costs. The company will continue to pay time and one half for work over eight hours in any one day.

Ottawa, Quebec Dickering On Lachine Seaway-Power

MONTREAL (Staff) — Some high-level jockeying is under way between Ottawa and Quebec on the important question of developing the Lachine Rapids power potential as an integral part of the St. Lawrence Seaway.

Transport Minister Chevrier met with Premier Duplessis on the problem last week, reporting afterward that the talk was "satisfactory" and that he hoped discussions could be continued by technical experts of the two governments.

That Lachine's 1.2 million hp. will be needed sometime by Quebec seems certain. But the timing and how the cost will be borne are yet to be decided. Quebec Hydro officials were keeping silent this week, and indications were that any announcements to be made will come from Quebec City.

Ottawa, of course, would like an agreement to develop Lachine in a combined navigation-power project, costing some $400 millions. If Quebec refused to go along with this, the navigation end alone in the area would take $112 millions.

How Split Costs?

A point to be settled between the two governments is how the cost of the combined project would be split—how much for navigation, how much for power. Some of the work, of course, would be common to power and navigation.

Much of the current dickering is undoubtedly concerned with this point.

The province would seem to be in a relatively strong bargaining position, since Quebec Hydro is well under way with a huge $180 million hydro project on the Bersimis River. This will develop 1.2 million hp., of which a big slice is earmarked for Montreal. Thus, Montreal's expected increase in power load, at least for a few years, is already provided for.

In addition, Quebec Hydro has other alternatives: space for a third plant at Beauharnois, to develop another 330,000 hp., and an undeveloped site at Carillon with a potential of about 250,000 hp.

At any rate, with plans for the Seaway heading into the last lap, some decision on Lachine must be reached. Meantime, Ottawa has hired a number of private engineering firms to study the area.

Army Puts Troops Into Big NB Camp

From Our Own Correspondent

CAMP GAGETOWN, N.B.—A five-mile long army convoy rolled into Camp Gagetown last week with troops and vehicles from Camp Borden and Valcartier. Five special trains also brought other troops for the first training period in Canada's potentially largest army camp. Troop strength had been building up in previous weeks.

Training will be from June 15 to July 15. Some 3,700 officers and men will be accommodated in tents and in the camp's first permanent buildings. Brig. J. M. Rockingham is in command.

In the short time since the 400-square mile area was acquired by the Department of National Defense, considerable progress has been made in turning over this hitherto farm and forest section of Southern N. B. into a bustling military centre.

The Army has announced that 250 men will be granted short leaves daily to be spent in Saint John. The Canadian Legion has established a registration centre in the port city and civic and other bodies are co-operating to make the men's visits enjoyable and entertaining.

Aluminium Ltd. Expands UK Lab

MONTREAL (Staff) — Aluminium Ltd., which spends a lot of money finding new markets, has completed a large new addition to its research facilities.

Started in 1951, it's a $800,000 new wing on the Banbury, England, research building of its Aluminium Laboratories Ltd. subsidiary. This more than doubles the size of the Banbury establishment.

New facilities include a laboratory for testing large prototype aluminum structures for ships, bridges, etc. Another section, devoted to research into use of aluminum for canning, includes equipment for drawing and lacquering aluminum containers and testing their behavior when packed with different products.

There is a model plant for production of aluminum paste for paint, plus facilities for development work on welding and other joining processes suitable for the metal and its alloys.

BEDFORD, QUE. has sold $110,000 3% bonds due 1955-64 to Casgrain & Co. at 97.11. Net cost 3.6%. Proceeds for construction of building. Net funded debt Dec. 31, 1953, $135,100; population 2,225.

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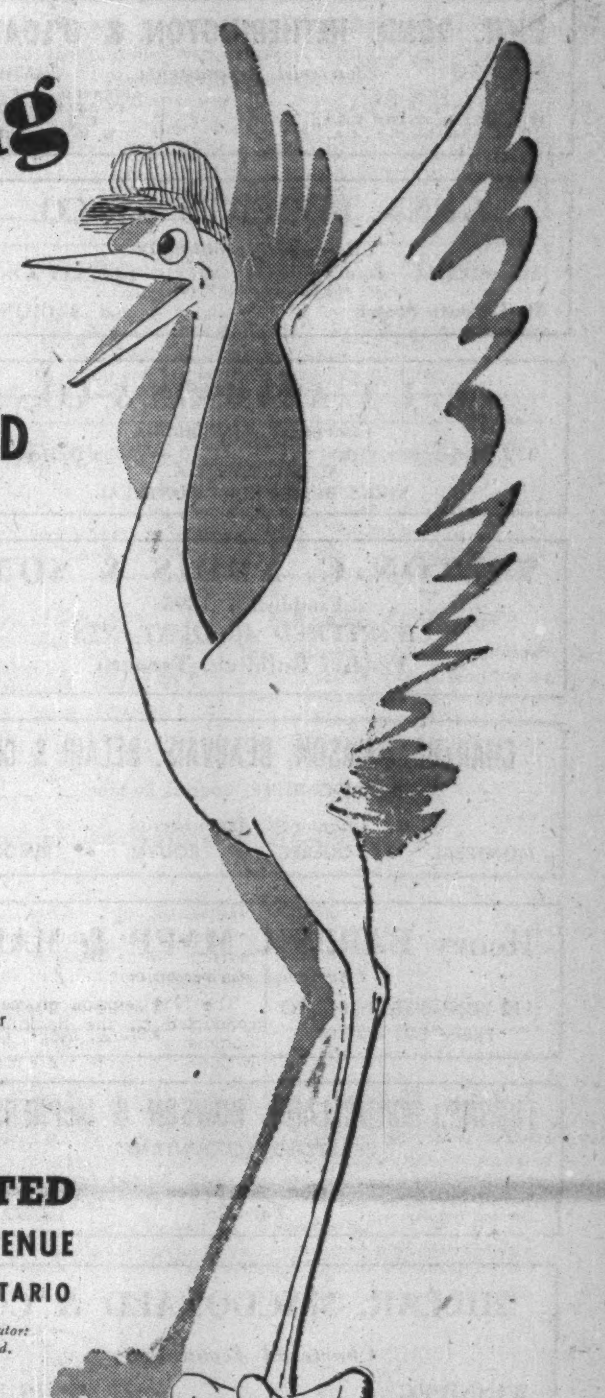

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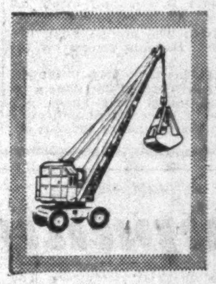

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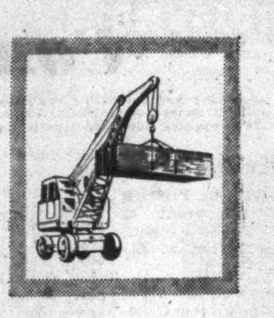

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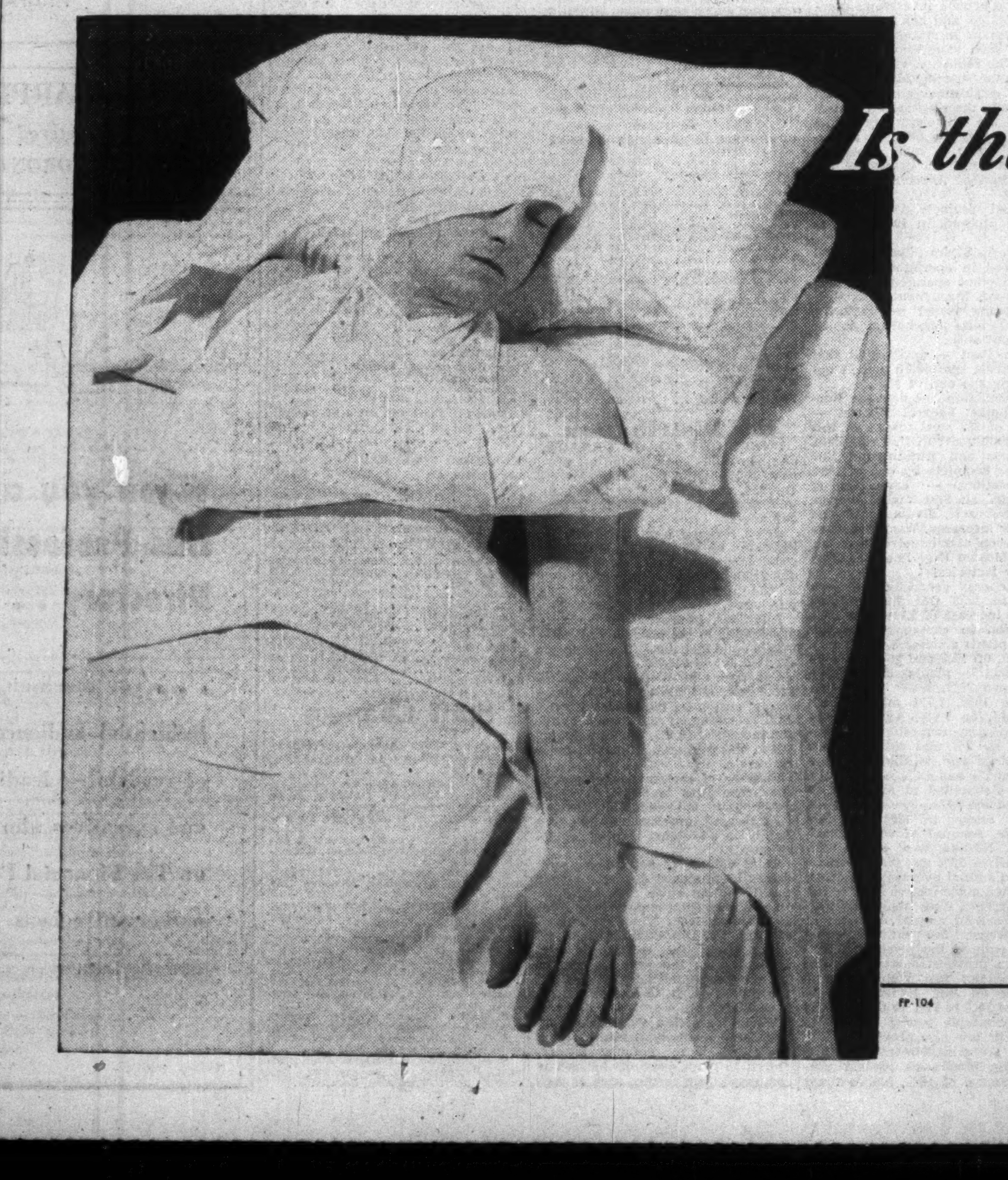

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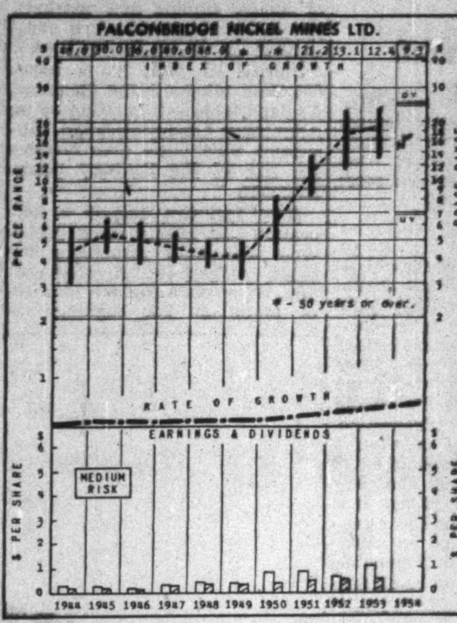
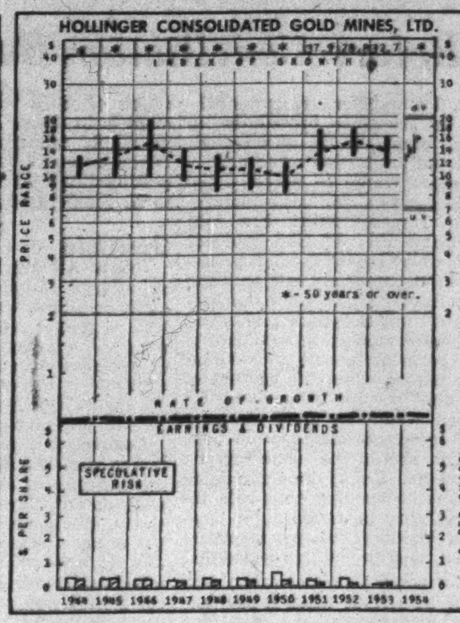
Selected Growth Stocks — Quarterly Review — By NESTOR

The Financial Post's exclusive series of Selected Growth Stocks was chosen by one of the continent's most prominent and successful investment advisers. The reasons for choice shown below the accompanying charts were those given when stocks were chosen in January, 1953. Each will be reviewed quarterly. Publication of this series in The Post does not constitute a recommendation to buy these stocks.



WHY SELECTED: Aside from rearmament demand, growing use of nickel offers favorable long-range possibilities for this aggressive second-largest nickel producer. Completion in 1954 of current expansion program should double prewar output level, further expansion being considered. Recent ore discoveries are considered important. Based on about 25% of potential nickel land in important Sudbury area, and production of about 10% of total Sudbury output, there appears to be considerable scope for stepup in Falconbridge production.



WHY SELECTED: Potentialities for this second-largest Canadian gold producer lie in its interest in Labrador and Quebec iron ore reserves, estimated to be in excess of 400 million tons of high-grade ore that are now being developed by Iron Ore Co. of Canada (owned by Hollinger and various U. S. interests) at an estimated cost of over $200 millions. Shipments are expected to begin late in 1954 and to be expanded progressively for several years thereafter.

Falconbridge

Falconbridge Nickel Mines common, at recent $17 a share market price, selling at 143% above UV level, leaving room for 41% rise possible before stock would hit OV level. Yield at current level 2.94%. Stock selling at 16 times 1953 earnings. Price range so far in '54 $17¾-$14⅛.

Production this year has been running ahead of a year ago. Smelter output up about 25%, roughly half of increase made possible by treating additional ore from outside the company. Refinery production also somewhat higher, with greater increase due later.

Copper prices somewhat below levels of early part of '53, but remaining just about even with levels in effect during balance of last year. International Nickel, biggest nickel producer, recently indicated change unlikely in nickel prices up or down.

Construction going ahead on program designed to raise nickel output to 40-45 million lb. a year within next two years (1960 objective: 55 million); March output of nickel in matte at rate already in 40-45 million a year range.

Of 1953 capital expenditures totaling $8.2 millions, all but $2.4 millions (U. S. Government advances and stock sale) provided from company's own resources.

Financing through issue of $30 million 5¼% first mortgage sinking fund bonds due 1966 expected to take care of current expansion program. Institutions to which bonds sold to take up bonds as money needed, all before December, 1955.

Hollinger

Hollinger Consolidated, at recent market of $15⅛, has been trading 116% above UV level, with a 26% rise possible before reaching OV level. Stock selling at 100 times '53 earnings, reflecting, of course, expected profits from Iron Ore Co., soon to start production. Yields 1.5% at present six cents quarterly dividend rate. High and low to date in 1954 $16¼ and $12.

Gold mining profit margin slim and there's no assurance that dividend can be continued at present rate. However, Hollinger in relatively favorable position because development expenses occurred at much lower cost level, giving it a larger mine and more flexible operation than would otherwise be possible. Also, production per man has been increasing. Young-Davidson mine, 80% of whose profits go to Hollinger, expected to close next year.

Hollinger sharing 50-50 with M. A. Hanna in examining copper bearing belt on east side of Labrador trough running southeast from Ungava Bay. Many field parties at work on it this summer and looks promising.

Iron Ore Co. now expected to start regular shipments Aug. 1 and may get 1 million-1.5 million tons out of this year, total depending on roadbed condition. Seaway, on which 20-million ton annual target rate depends, now closer to reality with U. S. congressional approval. Power project has been cleared and talks between U. S. and Canada on navigation end expected to start soon.

Iron Ore Co. sending five parties into the field on iron ore exploration this year. Labrador Mining & Exploration will have six geological parties out.

How to Read the Stock Charts

INDEX OF GROWTH: The rate at which the value of the equity behind the stock is doubling as determined by the growth rate at which it entered the year. A figure of 5.6 for the present year would indicate that at its current growth rate, the equity value is doubling every 5.6 years.

PRICE RANGE: The annual high, low and mean price. Monthly ranges for the current year.

UNDERVALUATION AND OVERVALUATION PRICE LEVELS: Shown by the narrow horizontal lines above and below the stock's price range indicating price at which the particular stock is adjudged as underestimating or overestimating its future rate of growth. A stock showing a fast-growth rate will sometimes anticipate growth by two or three years. In this case, it may not be so attractive a purchase relatively as some other fast-growing stock that is not anticipating its growth beyond the immediate present. Other factors such as rate of growth and investment quality, will also enter into the comparison an investor will want to make.

Without these UV and OV levels, a current quotation of, say, 55 or 75 would carry no significance regarding long-range value. The UV/OV levels also permit judgment as between one stock and another. They are not designated points of purchase or sale, nor do they attempt to show what will be a stock's bottom or top figure in any given year.

RATE OF GROWTH: The rate, as based on Nestor's tests, at which the company is showing underlying or long-term growth. This will determine the price trend of the company's common stock over a period of years, and in most instances, the trend of dividend payments.

Background and principles behind the selections by Nestor were discussed in a special article in The Financial Post, Jan. 10, 1953. A limited number of reprints are available on request.

Company Reports

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

Public Utilities

MEXICAN LIGHT & POWER CO. consolidated net profit of $3,777,339 for 1953 was 53.5% higher than 1952 consolidated net of $2,461,233.

During 1953, the exchange value of the Mexican peso to the Canadian dollar did not vary appreciably from the previous year, average and closing rates for the peso being 8.75 and 8.83 respectively. However, effective April 19, 1954, the Mexican government devaluated the peso from the then offical rate of 8.65 to the U.S. dollar to a new official rate of 12.50, a decrease of 44.5%. The Canadian dollar is affected proportionately.

Company is at present assessing the effect of this measure on earnings and on its general economic and financial situation, which will be serious, and in due course representations will be made to the Mexican government for appropriate remedial action.

In 1953, the Mexican Electric Light Co., a wholly owned subsidiary, transferred part of its properties to the parent company and the remainder to another subsidiary, Cia. de Fuerza del Suroeste de Mexico, S.A. As a result of this and related transactions, Mexican Electric Light Co. had no assets or liabilities at Dec. 31, 1953, and is no longer included among subsidiary companies whose accounts are consolidated in the financial statements of the parent company.

Increase in gross revenue in 1953, as compared with 1952, was partly due to increased sales of energy, but chiefly resulted from the application of an adjustment factor in company's rates to compensate for increased wages effective in the October, 1952, billings.

Increased expenses in 1953 were partly due to the fact that hydrological conditions were less favorable and it was necessary to operate company's thermo-electric plants at a relatively high capacity, states Chairman William H. Draper, Jr. The higher financial charges in 1953 were a result of increased borrowing needed for the construction program. Financial charges capitalized during the year amounted to $610,857 as against $743,787 in 1952.

Company's rate base for tariff purposes at Dec. 31, 1953, was 922,789,558 pesos, as compared with 834,860,893 pesos at the close of 1952. A reinvestment reserve of $739,460 has been provided during 1953 to enable company to claim the deduction permitted under Mexican income tax law to the extent of 10% of distributable profits. In order to substantiate the appropriate income tax deduction, shareholders will be asked at the annual meeting to approve the setting aside of the reinvestment reserve.

Withdrawals during 1953 under the loan agreement with the International Bank for Reconstruction and Development aggregated $2,347,081 (U.S.). It is anticipated that the full loan of $26 millions will have been withdrawn by June 30, 1954.

In September, 1953, the Mexican authorities granted company a credit of 175 million pesos through Nacional Financiera, S.A., to help cover requirements to the end of 1956. A total of 30,006,841 pesos had been withdrawn at the end of 1953, and a total of 57,385,639 at the beginning of May, 1954.

Company is studying the possibility of the creation of shares for sale in the private investment market in Mexico, and has agreed that within certain limitations the proceeds of such sales should be applied to the reduction of the credit.

During the year the Mexican government established a commission to (a) study the electricity requirements of the entire country in the next 10 years, (b) develop a program of works to meet these requirements, and (c) determine the best method of financing the program.

Principal projects in the construction program in 1953 were as follows:

—Lecheria Steam Plant — second unit placed in operation in April, 1953, and plant operated on a permanent basis throughout year. Turbo-generators tested satisfactorily, and final tests on boilers to be carried out soon.

—Patla Pant — anticipated that plant will be completed and in operation by the end of 1954.

—Transmission line between Necaxa and the Federal District — erection of 382 steel towers of this 220-kv double-circuit line complete. Substations and transmission line should be complete by end of 1954.

—Substations — capacities of substations at San Juan Aragon, Patera, Narvarte, Tlanlnepantla and El Olivar increased. Work begun on a substation at kilometre 75 of the Necaxa-Mexico City line to supply two new factories.

Total energy generated and purchased in 1953 was 2,289 million kwh, an increase of 5.1% over 1952. Generation in company's thermo-electric plants amounted to 873 million kwh, up 58% and generation in hydro-electric plants 898 million kwh, down 27%.

During 1953, 1,774 million kwh were sold, up 7.1%. Average consumption per domestic user increased by 3% and sales to four large mines and to the tramways increased 7% and 4.4% respectively. Energy distributed in Mexico City increased by 7.4%.

Rainy season in 1953 was less favorable. Amount of water available at Necaxa was 455 million cubic metres, 23% less than previous recorded annual average; at Lerma, 421 million cubic metres entered the reservoir, 37% less than the previous recorded annual average; at Ixtapantongo, 340 million cubic metres entered the reservoirs, 25% less than previous annual average.

In the tax law which became effective on Jan. 1, 1954, an increase of 10% to 15% in the tax rate on distributable profits came into force. The law also provides a 30% reserve for reinvestment from distributable profits, as against previous reserve of 10%, before taxes are calculated. The 1% surcharge under the income tax law is no longer applicable.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1953 $	1952 $
Gross oper. earn.	31,178,825	26,307,371
Total net earn.	9,055,667	6,881,027
Less: Deprec.	2,869,000	2,519,000
Amort, rts., etc.	186,223	186,223
Bond int.	1,977,688	1,467,863
Inc. deb. int.▲	245,417	246,708
Net profit	3,777,339	2,461,233
Less: Pref. divd.	426,622	......
Surplus	3,350,717	2,461,233

▲Charged each year but payable only to extent earned.

Times Fixed Charges† Earned:		
Before deprec.	3.50	3.11
After deprec.	2.32	1.89

†Calculated before deducting amount capitalized during construction: $610,857 in 1953 and $743,787 in 1952.

Earnings per Share:		
$1 pref.	$4.43	$2.88
Paid	*0.50	...
Common	1.65	0.90
None paid.		

*Remainder of dividend applicable to 1953, declared and paid following the close of the year, will be charged to earned surplus in 1954.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1953	1952
Cash	$1,843,476	$975,239
Bonds purch. for s.f.	92,362	......
Accts. rec.	6,356,845	5,931,905
Inventories	2,746,750	3,825,834
Total curr. assets	11,039,633	10,733,018
Misc. assets	1,614,019	1,287,141
Reorg. exp.	1,164,870	1,164,870
Fixed assets	178,123,189	167,585,656
Total assets	191,941,711	180,790,685
Loan	1,132,404	......
Accts. pay.	6,678,251	7,218,293
S.f. pay. due	1,369,265	677,536
Int., etc., pay.	1,257,830	1,174,190
Total curr. liab.	10,637,750	9,070,021
Loan	......	1,124,277
Def. liab.	8,491,534	8,228,252
Funded debt	55,167,283	50,867,881
Depr., etc., res.	52,896,731	50,239,101
Reinvest. res.	739,460	......
Capital stock	40,635,600	40,635,600
Gen. reserve	15,420,870	15,420,870
Earned surplus	7,950,463	5,207,683
Working capital	401,883	1,663,997

Gas Distribution

UNION GAS CO. OF CANADA, Chatham, Ont., consolidated net profit of $1,711,242 for year ended March 31, 1954, was 8.8% higher than consolidated net of $1,573,455 for previous year.

Gross revenue was $10,791,000, an increase of $1,378,000. Operating costs, including taxes, were $9,080,000, $1,240,000 higher, principally due to the increased quantities of gas purchased.

Additions, improvements and replacements to gas production, transmission and distribution facilities accounted for $1,686,000.

Gas sold amounted to 10 billion cubic feet, (8.5 billion cu. ft). Residential customers used 58.9% of this total, commercial customers 11.3% and industrial 18.4%. The remainder, 11.4%, was sold on a wholesale basis for resale.

Number of meters on company's lines rose 3,448 to 84,361. Average consumption by residential customers increased approximately 10% due mainly to additional heating installations.

Total volume of natural gas purchased or produced during the year was 12 billion cubic feet, of which 4.6 billion cu. ft. was purchased from Ontario producers, 5.5 billion imported from the United States, and 1.9 billion from the company's own wells. During the year volume of gas in underground storage increased 1.25 billion cu. ft. to 6.63 billion cu. ft. at March 31.

While increasing volumes of gas have been made available in recent years still larger volumes are required to meet demands for gas in company's own service area as well as other areas in Southwestern Ontario, states President David P. Rogers.

With a view to meeting these demands at the earliest possible date, company has completed a new agreement with Panhandle Eastern Pipe Lines for 15.5 billion cu. ft. annually, in addition to the 5.5 billion cu. ft. now being received under an earlier contract.

Plans are being completed to build a pipe line to the Hamilton area with laterals to Kitchener, Waterloo, Guelph, Stratford and other distribution systems.

This program will permit the conversion of manufactured gas plants to natural gas, says the president, and also the extension of present natural gas systems, prior to receipt of gas from Western Canada.

Deliveries of gas will begin as soon as the necessary licenses and permits are received from governmental authorities, Mr. Rogers goes on. The new contract with Panhandle contains a provision permitting cancellation if and when natural gas from Alberta becomes available.

Annual meeting will be held in Chatham on June 29.

CONS. INCOME ACCOUNT

Years Ended Mar. 31:	1954	1953
Net earnings	$4,525,707	$4,041,194
Less: Dev. costs	467,626	307,954
Deprec.	707,305	711,494
Bond interest*	389,534	199,291
Income tax res.	1,250,000	1,249,000
Net profit	1,711,242	1,573,455
Less: Divds.	988,679	706,199
Surplus for year	722,563	867,256

*Incl. bond disc. w/o.

Times Bond Charges Earned▲:		
Before depr.	10.42	18.73
After depr.	8.60	15.16

▲After deducting dev. costs.

Earnings per Share and Dividend Record:		
Com.: Earned	$2.42	$2.23
Paid	1.40	1.00

CONDENSED CONS. BALANCE SHEET

As at Mar. 31:	1954	1953
Cash & Dom. bds.	$3,156,470	$3,873,278
Accts. rec.	1,890,320	1,396,549
Inventories	1,166,549	843,393
Total curr. assets	6,213,339	6,113,220
Invest. in United Fuel	2,048,366	2,048,366
Def. & other assets	2,360,367	2,448,417
Fixed assets	29,311,299	27,905,548
Total assets	39,933,371	38,715,551
Accts. & tax. pay.	1,642,851	1,701,963
Interest accr.	32,274	32,274
Divd. pay.	347,170	176,550
Bond payment	400,000	......
Total curr. liab.	2,322,295	1,910,787
Constr. contribs.	71,400	64,994
Funded debt	7,600,000	8,000,000
Deprec. res.	10,773,346	10,298,003
Capital stock	11,056,330	11,056,330
Surplus	8,110,000	7,387,437
Working capital	3,891,044	4,402,433

Staff Changes

Chartered banks announce the following staff changes.

Dominion

W. I. CAMERON, formerly accountant, Portage and Kennedy, Winnipeg, to be accountant, Moose Jaw, Sask.

J. Q. WATT, to be accountant, Edmonton.

J. L. PATON, formerly accountant, Edmonton, to be assistant manager, Edmonton.

P. KOZIK, accountant, Lloydminster, Alta., to be accountant, Medicine Hat, Alta.

A. C. GRIFFITH, assistant accountant, Fort Frances, Ont., to be accountant Lloydminster, Alta.

T. A. EASTON, manager, Victory Sq., Vancouver, to be manager, Calgary.

W. F. SADLER, manager, Fort William, Ont., to be manager, Edmonton.

D. M. SHELDRICK, formerly manager, Newtonbrook, Ont., to be manager Lawrence Park, Toronto.

F. DANN, formerly manager, Lansing, Ont., to be manager, Newtonbrook, Ont.

E. G. FRASER, formerly a credit officer, to be assistant manager, Winnipeg.

R. B. BURTON, formerly assistant manager, Edmonton, to be manager, new branch, 10,851 - 82nd Ave., Edmonton.

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How Many Alcoholics In Your Firm?

Maybe 6%, From Janitor To V-P, Ontario Survey Shows

Alcoholism affects about 6% of your employees, Mr. Executive. Multiply your best guess at the number of "worrisome drinkers" in your company by two for the most likely estimate. The average alcoholic worker misses some 18.7 work days a year, and it's costing industry millions. These are facts from a startling report by H. David Archibald, director of the Alcoholism Research Foundation, Toronto, made to the recent Alcohol and Highway Safety, Business and Industry Conference in Minneapolis, Minn. Here is a digest of his report, which was based on a survey of a typical Canadian county.

By H. D. ARCHIBALD

Alcoholism is a very large problem affecting every industrial and community organization. Whether an industry manufactures paper or cars or processes peanuts, it is affected. There is no escaping this fact.

Dr. E. M. Jellinek and Mark Keller of the Yale University School of Alcohol Studies have estimated that there are 3.8 million alcoholics in the U. S. In Canada we have 150,000 alcoholics, and in Ontario 50,000. This is a very serious loss of manpower and of industrial potential.

Contrary to popular belief, the most serious aspect of the alcoholic problem is not the Skid Row or end-of-the-line problem. The average alcoholic in our communities today is not the derelict. He is the average so called "normal" individual.

A study of 2,000 alcoholics in the U. S. revealed that seven out of 10 had held jobs involving skills or special responsibilities and that nearly 60% were known to have held steady employment in one job for at least three years, 25% at least 10 years. It is significant that only 2% of these cases were referred to the clinics by their employers.

In Ontario we have recently completed an intensive survey of a complete county. The county selected was representative of the population of the province in terms of occupational classification, urban, rural, sex, age, religion and cultural background distributions. This survey was conducted under the immediate direction of the department of psychology of one of our universities. The immediate focus was to find out how many alcoholics there were in this geographical and political district.

Three Categories

To complete this study the researchers had to obtain enough information on each case to be able to make a clear diagnosis into one of three categories:

(a) Problem drinker.
(b) Alcohol addict.
(c) Chronic alcoholic.

At the completion of the study we had a total picture of an unselected group of alcoholics as they existed in this community. They were not selected on the basis of having reached a stage where they had sought treatment or had joined Alcoholics Anonymous—indeed, only 7% of the group studied had sought treatment for their illness, including joining Alcoholics Anonymous.

This study is particularly important because for the first time we've been able to get a picture of alcoholics as they appear in our community, and not a particular group who have sought treatment for their illness, or who have joined A.A., or who have landed in jail.

In the adjacent table are the occupational classifications of the group revealed by the survey.

Some 60.9% of these individuals are classified as semi-skilled, skilled, white collar, professional, managerial or proprietory.

In addition our researchers have pointed out that the average alcoholic revealed in this study was "found in the middle-grade. He was usually a skilled or semi-skilled person, ranging in age between 35 and 45, married, maintained his own home and had two or three children." In other words, a responsible member of the community.

Anyone An Alcoholic

This, I believe, is sufficient evidence to indicate that the alcoholic in industry and in our communities does not display the characteristics that have been popularly associated with this illness. He is the laborer in the yard, the skilled worker in the shop, the clerk, the salesman, the manager or the member of the board.

Untreated alcoholism is costing industry in the U. S. and Canada millions of dollars. It is impossible to give an accurate figure on this daily economic loss, but the areas where these losses occur can be enumerated.

The employee who comes in with the Monday morning hangover is not going to produce very much for that day. If he is on the assembly line he'll be a roadblock for all of his fellow employees on that line. The increase in scrap materials, increase in accidents, and injuries, to both the problem drinker and his co-workers are all factors that cost the company money.

One of the tangible costs to industry is lost manhours. In the "X" county survey, there were 3 employers, business concerns or industries in the county who employed 25 or more persons. These were all studied intensively.

In the case of the larger concerns a systematic examination of attendance records of all employees was made. Individual records showing periodic absences of several days without clear-cut reasons, and those showing a pattern of absence after week-ends, holidays or following paydays were set aside as possible indications of problem drinking. These cases were then subjected to a further thorough examination. This method, by the way, proved to be a very reliable method of locating problem drinkers.

OCCUPATIONAL STATUS OF ALCOHOLIC POPULATION OF "X" COUNTY, ONTARIO

Category *	%
I Professional, managerial, proprietory	5.5
II White collar	7.4
III Skilled and semi-skilled	48.0
IV Unskilled	29.3
V Transient or casual	6.3
VI Retired	3.5

*I Includes physicians, engineers, lawyers, clergymen, business owners, teachers, persons in responsible supervisory positions, nurses, etc.
II Includes office clerks, stenographers, and typists, salesmen, grocery clerks etc.
III Includes bakers, mechanics, machine operators, toolmakers, brick and tile makers, boiler firemen, carpenters, electricians, painters, plumbers, farmers and stock raisers etc.
IV Includes janitors, laborers, farm helpers, waitresses, charworkers and cleaners.
V Includes all types of incidental or casual labor in which hiring is done by the day; also unskilled laboring jobs which have been held for short periods of time.

Millions Lost

In the cases subsequently diagnosed as alcoholic—in terms of the definition used for the survey—it was revealed that the average rate of absenteeism on days following week-ends or other days of rest was 18.7 days for a 12-month period. In a large U. S. corporation the figure was 22 days absenteeism on the average.

Multiply that figure by the number of alcoholics employed by industry in Canada and the U. S., and you get some idea of the astronomical losses.

Generally, management has not taken constructive action in this field in spite of the clear-cut evidence that the problem is very serious. I say generally because there are a few notable exceptions, such as Consolidated Edison, Dupont, Eastman Kodak and Allis-Chalmers in the U. S. and the Bell Telephone Co. in Canada.

The majority of people are clinging to old misconceptions and erroneous beliefs. A Gallup poll survey in Canada recently revealed that only 70% of the people had ever heard of alcoholism, and of the 70% only 24% expressed a belief that it was an illness.

The rather common answer by management when it is suggested that the problem of alcoholism is a serious one in his company is, "We have no problem. If we find alcoholics in our employ, we fire them. Therefore we have no problem."

Dr. John Norris, Medical Director of the Eastman Kodak plant in Rochester once said: "The executive who says he has no problem of alcoholism in his plant doesn't know what he is talking about." I subscribe wholeheartedly to this statement.

In our survey of County "X" we analyzed the results from 10 companies each employing fewer than 200 workers. In each instance the researchers asked management to estimate the number of alcoholics in their employ, according to the definition provided for them. Following the survey, we compared the actual number of cases discovered with the previously estimated number and found that the survey had revealed in these companies exactly 50% more cases than had been estimated.

So the problem is hidden—even in the smaller companies. Incidentally, about 6% of their employees were diagnosed as problem drinkers or alcoholics.

What can be done?

The Bell Telephone Co. of Canada has approximately 30,000 employees. It is noted in Canada for its progressive personnel policies.

As late as 1950, the alcoholic problem was dealt with at the disciplinary level, which usually resulted in discharge and subsequent loss to the company of many experienced and valuable employees.

At about this time there was beginning a change in public attitude toward alcoholism. To quote Vice-President Ferrier of the Bell Telephone Co.:

"We studied the problem in our company and found that—as has now been discovered elsewhere—there was apparently a widespread occurrence of alcoholism throughout the employee force, ranging from the line crews up through the clerks, the middle levels of management to the higher levels of management.

"The social trend of the times, the growing realization of the magnitude of the problem and the lack of an effective program for control within the company coincided, and after considering the situation with care our management people decided that a program should be developed."

This is the Bell policy:

—Most cases of alcoholism or problem drinking present a health problem.

—Each case of incipient or suspected alcoholism or problem drinking should be encouraged to seek adequate medical investigation without delay.

Sick Benefits

—Each case involving a health problem be considered eligible for sickness disability benefits or disability pension under the company's plan for employees' pensions and disability benefits, if the condition is sufficiently advanced to produce disablement from work.

—Where possible final disciplinary action in cases of alcoholism should be delayed until health factors have been adequately reviewed, and treatment has been undertaken without success.

An extensive program of training and education was undertaken for the staff of the medical and other departments. Printed material was provided to employees emphasizing the health implications of alcoholism and the ways to identify the illness.

Said Bell's medical director recently:

"The board of directors are amazed at the results of this policy and the number of employees we are now bringing under control. Incidentally they like to look at the amount of money we're saving them too."

Today we know that the alcoholic problem can be solved, that tools can be developed, industrial programs, educational programs and that tremendous organization Alcoholics Anonymous are all providing concrete demonstration that this health problem can be successfully tackled. The tools have been developed and they are being refined. Let us get on with the job.

What Is An Alcoholic?

These are the definitions of three types of "alcoholics" used in the survey of alcoholism in "X" county, Ont.

PROBLEM DRINKER: A man who gives evidence of:

—Excessive drinking of a repetitive nature.

—As a consequence of this, an upset in domestic equilibrium such that a family member, friend or associate complained, expressed concern or sought advice from someone in authority . . .

—And/or a material reduction in work efficiency and dependability to the extent it had become a matter of concern to an employer or business associate.

ALCOHOL ADDICT: A man who gives evidence of:

—An irresistible craving for alcohol.

—Loss of control over his drinking.

—An inability to break with the drinking habit.

—Deterioration of inter-personal relations, as a consequence of these.

CHRONIC ALCOHOLIC: A man who gives evidence of:

—Drinking in an uncontrolled way for a prolonged period.

—As a consequence, suffering one or more of the diseases of chronic alcoholism (such as, cyrrhosis, malnutrition, certain mental disorders).

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OSC DECISIONS

Why Two Broker-Dealers Lost Their Licenses

Selling Unregistered Issues in U.S., Fake Mining Map Cited

Selling of unregistered issues in the U. S. and a map showing incorrectly location of a mining company's properties have caused recent cancellation of the registrations of two broker-dealers by the Ontario Securities Commission.

The Commission also stated that reports would no longer be accepted from the engineer responsible for drawing up the incorrect map mentioned.

Here are the OSC decisions in detail:

REILLY AND COMPANY
Broker-Dealers

Since the summer of 1953 up until March 7, 1954, Reilly & Co. has made substantial sales in the United States, involving the sale of four separate issues which are not qualified for sale outside Ontario.

Reilly & Co. is registered as a broker-dealer with the Securities and Exchange Commission, but having taken this initial step, took no further steps to meet the requirements prescribed under Regulation D, promulgated as of March 4, 1953, extending the privileges of a short form of registration to Canadian issues.

There are circumstances connected with this type of operation which may require further consideration in the event of repetition by other registrants, but in this instance it is only necessary to consider the extent of the solicitation in the United States as demonstrated by long distance telephone calls over a period of ten months.

During this period some 1,300 telephone calls were made to residents of the United States. In view of the evidence and having regard to the Directives issued in March, 1953, both by the Commission and the Broker-Dealers' Association, in an attempt to place international trading in securities on a sound and legal footing while the new Regulation was being given a fair trial, the Commission has no alternative except to suspend or revoke the registration of Reilly and Company in keeping with disciplinary action already taken in the case of two other registrants as recorded in the Bulletins of June and July, 1953, copies of which are supplied to every brokerage house without charge.

There can however be no doubt that Thomas Reilly fully appreciated what was expected of him, as bulletins or circulars issued over his signature in June last contain the following statement:

"Correspondents of Reilly & Co. in New York State or any State in the United States are requested not to regard this bulletin as a solicitation of business."

Specific reference to New York State is significant, indicating that he was aware of Ontario's understanding with New York State and that any acts on his part in breach of this understanding might jeopardize the rights and privileges of the entire local brokerage industry. Despite this misleading statement offered in the guise of further assurances, he was soliciting over the telephone and continued to solicit over the telephone to New York State and many other States, and the results of this investigation disclose that over the period of ten months there were repeated calls to several purchases.

The irresponsible course of conduct which really got under way after the Commission completed a surprise audit as of Aug. 10, 1953, no doubt indicates that Thomas Reilly considered that the chances of detection following the audit were remote and that in any event he was determined to improve his own financial position regardless of the consequences either of the consequences to the companies he was sponsoring or to those depending upon continued good relations with the United States.

The results under the new Regulation have not been as encouraging as they might be. On the other hand it cannot be overlooked that over seventy percent of the applications from Canada have been cleared and that only three applications from Ontario are still outstanding, including a recent application. Caution no doubt has been exercised on both sides of the Border in dealing with a new procedure, but as yet Regulation D has not been given a fair trial, in view of the comparatively few applications which have been made. In the meantime, those who have met the requirements are entitled to protection against unfair competition.

It is imperative that the activities of Reilly & Co. should be halted without further delay. However, Thomas Reilly who is responsible, should be given an opportunity to explain his position if he sees fit. The registration of Reilly & Co. will be suspended for ten days and will be revoked immediately following the suspension unless an appeal is launched in the meantime. In the event of an appeal, the hearing will be expedited.

(O. E. Lennox)
Chairman

Toronto, March 16th, 1954

Decision of the Commission as a Whole.
REILLY & CO.
Broker-Dealers

Thomas Reilly, sole owner of Reilly & Co., appealed from the Order of the Chairman dated March 16, 1954. On the appeal the findings of the Chairman covering the telephone calls to the United States were not disputed. However the Chairman was evidently in error regarding the rider appearing at the foot of circulars issued by Reilly & Co., as evidence now available discloses that this was used before any understanding was reached with New York State.

During the hearing Thomas Reilly repeatedly stated that he had never telephoned to residents of the United States for the purpose of making a sale unless he had first received a request for information. He apparently failed to appreciate that he was merely asserting that he had complied with the provisions of section 52 of The Securities Act which contains a prohibition against telephoning to the private residence of a stranger, unless a request for information had already been received.

He requested leave to produce further documentary evidence and the request was granted. Evidence was produced in the form of correspondence received from residents of the United States containing subscriptions. No doubt he considered this evidence would create the impression that he had received subscriptions in the absence of any solicitation on his part. He evidently had overlooked the fact that the Commission already were in possession of telephone accounts taken from his files covering charges made for long distance telephone calls during the period under review.

The evidence as produced was accordingly checked against the telephone accounts when it was established that in the case of at least 83 subscriptions received during the period, the subscriptions were preceded by one or more telephone calls placed by Reilly & Co. to the locality from which the subscription was received. In fact three of the letters contained a statement that the writer had "just finished talking to Reilly" or words to this effect.

In order to afford Thomas Reilly an opportunity to testify regarding the evidence he had produced on his own request, the hearing was resumed, when no suggestion was put forward that the information compiled by a member of the staff did not present a complete and accurate picture. It is now evident that the information supplied by Reilly & Co. purporting to disclose his transactions in the United States is far from complete, in view of the many further accounts disclosed from the correspondence as produced.

However, the accounts actually checked before the hearing was resumed covers roughly 50% of the purchasers of the issue Reilly was offering by way of primary distribution to the public. His evidence when the hearing was resumed was mostly directed to references to his dealings with many of these individuals over a period of years. In this he failed to appreciate that the Commission is dealing with a principle endorsed and supported by the Broker-Dealers' Association in the interests of the membership at large, and not in the interest of any particular registrant.

As the evidence is now conclusive that Reilly & Co. solicited in the United States both by telephoning on a fairly large scale, as well as by correspondence, as some of the letters containing subscriptions disclose, the registration of Reilly and Company as a broker-dealer will be cancelled forthwith.

By the Commission,
Muriel Browne,
Secretary.

Toronto, May 11, 1954.

D. J. SCANLON & CO.
Broker-Dealers

Under date of April 14, 1954, Scanlon issued promotional literature describing the Falgar Mining Corp. Ltd. property as lying between "two giant producing mines."

On the reverse side of this literature appears a sketch dated April 12, 1954, purporting to show the position of Falgar's property in relation to Falconbridge Nickel Mines Ltd. and the Garson Mine of International Nickel.

When the attention of the Commission was directed to this promotional literature and the sketch, the position of Falgar's property as disclosed on the sketch was checked against the description of the company's holdings as described in the company's prospectus filed with the Commission. It was then apparent that although the entire Falgar property lay to the south of the east and west Concession line between Concession 2 to the south and Concession 3 to the north, according to the sketch the major portion of this property was shown as being within the limits of Concession 3.

In other words it appeared that the entire Falgar holdings had been moved north one Concession, or a distance of one mile.

Scanlon was then examined under oath and J. W. Storer, described as the company's Consulting Engineer and who admittedly made the first drawing from which the sketch was prepared, also attended and testified under oath. Their explanation was simple in the extreme, namely that the Concession line between

(Continued on page 31)

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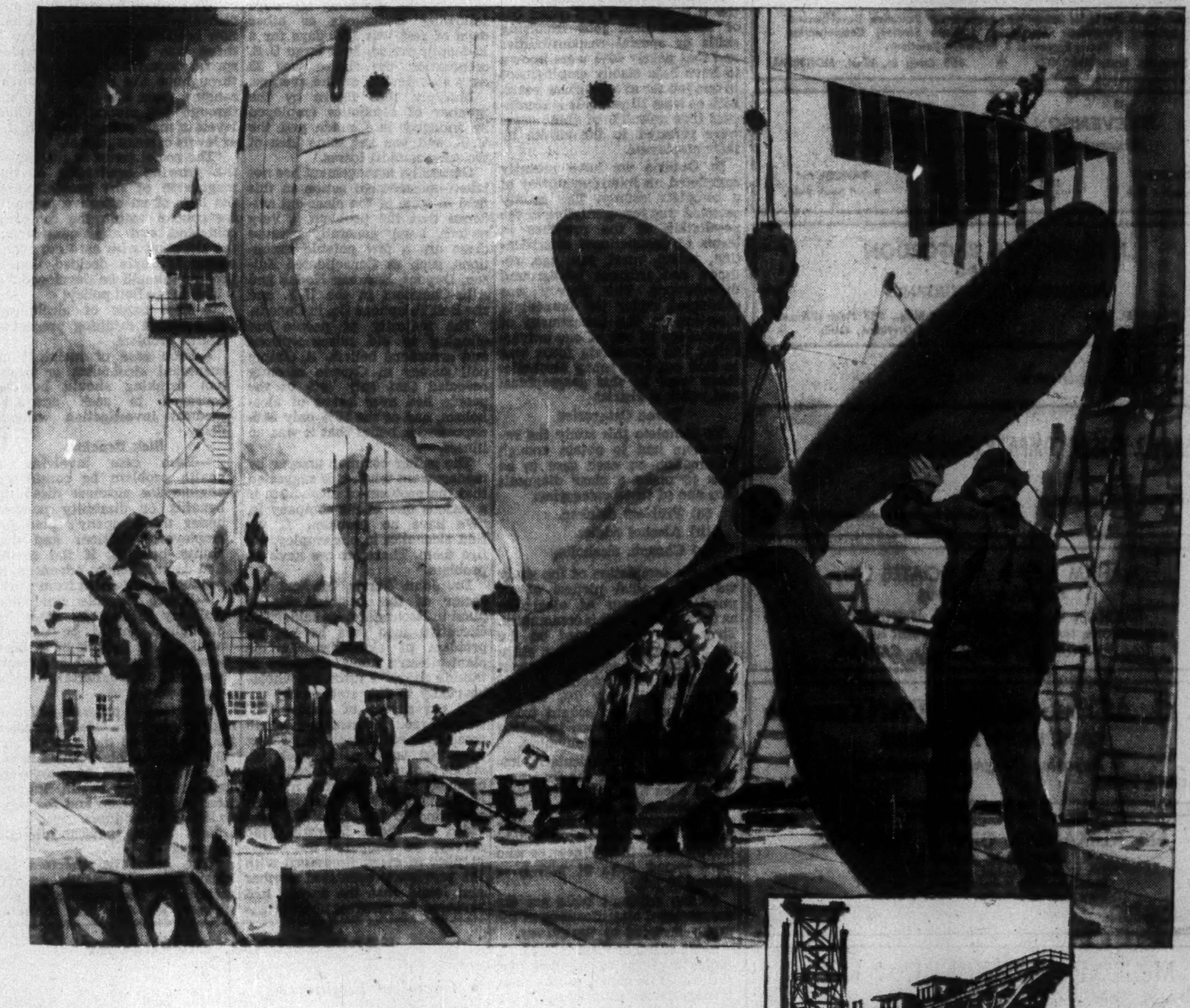

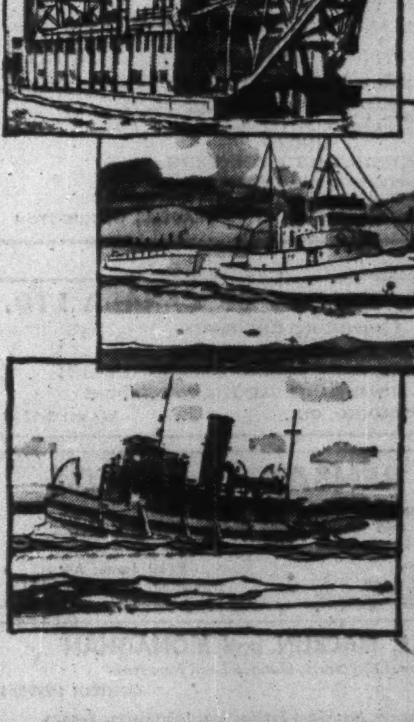

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How Two Broker-Dealers Lost Licenses

(Continued from page 30)

Concession 2 and Concession 3 representing the extreme northerly line of the Falgar property had been misplaced on the sketch, otherwise the sketch was correct and that the relative positions of the Falconbridge Smelters and all other pertinent information as described in the sketch was accurate.

The Commission was bound to accept this explanation until further information could be obtained through official maps and other sources. The entire area is surveyed into township lots one mile in depth by half a mile and most of the area is also surveyed into mining claims one quarter of a mile square.

According to a general map of the District the Falconbridge Mine is located on the easterly limit of Lot 12 just north possibly one eighth of a mile north of the line between Concessions 3 and 4 of the Township of Falconbridge mine to the north and the extreme northerly limit of the Falgar property to the south.

The location of a mine depends upon the location of the shafts and underground workings. In this instance the Commission was concerned about the exact location of the Falconbridge Smelters, merely for the reason that the smoke stacks in particular form a prominent land mark which would be noted by Scanlon who had visited the property as recently as April 10 of this year.

As the general map showing the location of the mine and smelters is some 20 years old, there was a real possibility that the smelters might now be south of Concession 4, but it still seemed impossible that they could be located as far south as they are shown on the sketch, namely within one quarter of a mile of the Falgar property in view of the position and extent of Lake Boucher in the shape of a boot with dimensions of at least one half of a mile in two directions. The direct and main issue was still whether the underground workings of both Garson and Falconbridge had reached the points as shown on Storer's sketch. In the case of Garson this would mean a drive eastward to a point one quarter of a mile from Falgar, and in the case of Falconbridge a drive south to the northerly limits of Falgar.

At this stage it should be noted that Storer vouched for the accuracy of the sketch without further qualification, and in the result gave the Commission every assurance that there was nothing more to be investigated. Scanlon may not have directly vouched for the accuracy of the Storer sketch, but he at least took the position that to the best of his knowledge and belief the information as disclosed was accurate.

The Commission then obtained authentic information that the most easterly extent of the underground workings of the Garson Mine which lies over two miles west from Falgar, had only reached a point in Lot 3 in Concession 3 in Garson Township, which would be at least a mile distant from the most easterly extremity of the underground workings as shown in the sketch. Scanlon was then questioned as to the source of their information and stated that both in the case of Garson and Falconbridge the positions of the underground workings had been supplied by a workman employed by one of the mines.

Scanlon and Storer were then further examined under oath as it was reasonable to assume that once it was established that the sketch was false in a certain most material respect, it would be conceded that the entire drawing was a fiction on Storer's part and there would only remain the question of Scanlon's knowing responsibility for publishing the fiction in the course of distribution to the public.

When the examination was resumed, they evidently considered that the only real damaging evidence against them was the inaccurate location of the Garson workings and that this might be attributed to poor judgment rather than deliberate deception. The size and extent of Lake Boucher in relation to the alleged position of the Falconbridge Smelters did not seemingly present an obstacle as they explained the lake had shrunk to the size of a pond since it had been used for the disposal of waste materials.

In the course of the examination it was evidently apparent to them that the Commission still was not in possession of adequate large scale maps showing the location of Falconbridge Township — smelters — head frames and other prominent land marks.

All this and no doubt the fact that the theory of the misplaced Concession line had previously served its purpose, brought forth a display of talent which should never be wasted in the engineering or securities fields.

An aerial photograph which had been identified in the earlier examination was again introduced in evidence. This photograph shows what might be Falconbridge Township in the foreground, the smelters in the middle distance and a head frame in the distance. According to the information then available it appeared that the photograph was taken from a southerly position or south-westerly position. However the exact position of the Townsite in relation to the smelters was not known to the Commission, nor was there a ground plan or large scale map of the locality available in order to orient the photograph against the land and permanent structures shown in the photograph. It appeared however that the head frame in the distance providing a prominent land mark, was in fact one of those known to be located in Concession 4 to the north.

Storer then simply shifted the photograph on its axis, explaining it was taken from a northerly direction, that the buildings in the foreground were not in Falconbridge Townsite, that the head frames and shafts were in fact located approximately in the middle of Lot 11, Concession 3, which would be about one half a mile directly north of the northerly limit of the Falgar property.

If this was in fact true, it would be possible and even probable that Falconbridge had driven underground to the limits of the Falgar property. Incredulous as this may have seemed, it was still difficult to believe that any consulting engineer worthy of the name, would run the risk involved through resorting to this type of trickery.

Again Storer took the positive position and Scanlon again accepted Storer's explanation as correct. In this instance however Scanlon stood back and allowed a land mark in the form of the head frame to be moved over one half of a mile to the south to a vicinity in which he had posed with Storer and others for a photograph.

After the examination with the aid of a powerful magnifying glass, what appeared to be a power line was detected which immediately challenged Storer's explanation. Moreover a small portion of Lake Boucher is included in the aerial photograph in the foreground to the right.

Storer's explanation was again seriously challenged unless the entire outline of the lake had changed in the past 20 years, since a general map of the district was prepared. It was then decided in order to bring the matter to a head to obtain further authentic material.

A large scale map including Falconbridge Townsite and smelters proves conclusively the extent of the deception practised by Storer and adopted by Scanlon through the ingenious yet ultimately entirely stupid device of twisting the position of an aerial photograph, a deception which evidently seemed feasible at the time in view of the fact that no conclusive evidence was at hand to refute the representations made.

It is now further established since receiving further authentic information that Falconbridge's most southerly underground workings in the vicinity north of Falgar lie over a mile to the north in Concession 4. These workings as would be expected in view of the known formations in the area, lie in an east and west direction and not north and south as Storer would have us believe. There are no workings nor shafts with head frames in Lot 11, Concession 3 as represented.

In the result all the information disclosed in the sketch is false to an extreme, and the attempt to cover up the deception belongs in the world of fiction. In fixing Scanlon with responsibility, it is not really necessary to consider his responsibilities as a registrant. He has a first hand knowledge of the location of prominent land marks and placed himself in an untenable position by adopting Storer's explanation throughout covering one of the most brazen types of fraud and subsequent brazen course of conduct disclosed in many years.

Apart from his actual first hand knowledge, he has displayed an absolute indifference and lack of responsibility in accepting information respecting the position of underground workings from a source no reasonable man would accept and any registered dealer with his experience would reject as ridiculous even after a perfunctory examination of the known history of the area. It should also be noted that he has been engaged in the distribution of Falgar for several months and over this period has distributed maps or sketches drawn to scale showing correct locations. His explanation that he never noticed the discrepancies between these maps commonly accepted as authentic and the Storer sketch, serves as another example of absolute indifference and irresponsibility, particularly in the case of a registrant who has recently been under suspension for somewhat similar tactics to a lesser degree.

The Commission's first duty is to immediately cancel his registration without waiting the final results of the investigation. Accordingly the registration of D. J. Scanlon and Company Limited as a broker-dealer will be cancelled forthwith, subject of course to the usual right of appeal. In the event of an appeal the current investigation which raises considerations other than Scanlon's fitness for registration, will not be delayed pending the results of the appeal.

In future engineer's reports prepared by J. W. Storer will not be acceptable to the Commission.

(O. E. Lennox)
Chairman

Toronto, May 17, 1954

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

Textiles

DOMINION TEXTILE CO. net loss for year ended March 31, 1954, was $48,514. In previous fiscal year net profit was $1,157,449.

Company has had a difficult year, states President G. B. Gordon, but "we are well organized and equipped to strive for the volume of business we must obtain to furnish full-time employment and maintain full-scale production in our mills."

"It is when we are confronted with a combination of circumstances such as have prevailed for more than two years that we fail to achieve the results which are so essential to the success of the business and the wellbeing of everyone concerned," the president says.

Shortly before close of the fiscal year, company took over the business and purchased the physical assets of a wholly-owned subsidiary, Drummondville Cotton Co., paid for by 15-month notes in the amount of $6,211,316. This transaction had the effect of transferring the strong working capital position of the Drummondville company on to the books of the parent company.

Advances to subsidiaries increased by $1,837,158 to finance higher inventories and serious operating losses. Capital expenditure amounted to $1,410,837 and included the physical assets acquired from Drummondville Co.

During the year Hochelaga Branch was closed having "outlived its usefulness." E. F. King, vice-president sales and president of Domil Ltd. was elected a director in June 1953.

"Total dividend disbursements of $1,432,029 were entirely at the expense of the shareholders' equity," states the president, "and can be justified only on the grounds that the owners of a business are entitled to some of their own money if it can be paid from previous earnings as dividends having regard to the financial stability of the enterprise."

Annual meeting is June 23.

INCOME ACCOUNT

Years Ended Mar. 31:	1954	1953
Inc. from oper.	$1,893,731	$3,701,908
Inc. from invest.	756,639	†844,619
Net income	2,650,370	4,546,527
Less Depreciation	2,110,956	2,793,606
Bond interest	562,327	565,926
Bond disc. amort.	25,601	27,546
Net profit	*48,514	1,157,449
Less: Pref. divds.	135,842	135,842
Com. divds.	1,287,187	1,544,624
Deficit for year	1,471,543	523,017

*Loss.

†Includes interest on advances to subsidiaries.

Times Bond Interest Earned:		
Before deprec.	4.71	8.03
After deprec.	0.96	3.09
Earnings per Share and Dividend Record:		
Pref.: Earned	d82.56	$33.64
Paid	7.00	7.00
Com.: Earned	d0.72	0.40
Paid (new)	0.50	0.60

CONDENSED BALANCE SHEET

As at Mar. 31:	1954	1953
Cash	$27,640	$535,416
Accts. rec.	6,784,399	7,482,858
Investments†	9,737,441	9,477,614
Inventories	20,275,791	20,385,062
Total curr. assets	36,825,271	37,880,950
Misc. assets	971,407	1,069,421
Inv. in & adv. to subs. & affil. cos.	13,911,424	11,853,824
Fixed assets	51,269,901	50,955,506
Total assets	102,978,003	101,759,701
Bk. ln. & o'draft	3,455,789	4,602,082
Accts., tax., etc., pay.	4,390,520	7,927,192
Deposits	270,699	296,441
Total curr. liab.	8,117,008	12,825,715
Notes pay.	6,211,316	......
Funded debt	14,595,000	14,698,000
Deprec. res.	36,888,933	35,698,697
Cont. res.	1,000,000	1,000,000
Pension fund	400,000	400,000
Capital stock	22,048,088	22,048,088
Surplus	13,717,658	15,089,201
†Market value	12,383,838	11,518,818
Working capital	28,708,263	25,055,235

CANADIAN OIL COS. has issued June 2 405 additional common shares upon excercise of stock purchase warrants attached to the 5% debentures. There are 1,001,075 shares outstanding.

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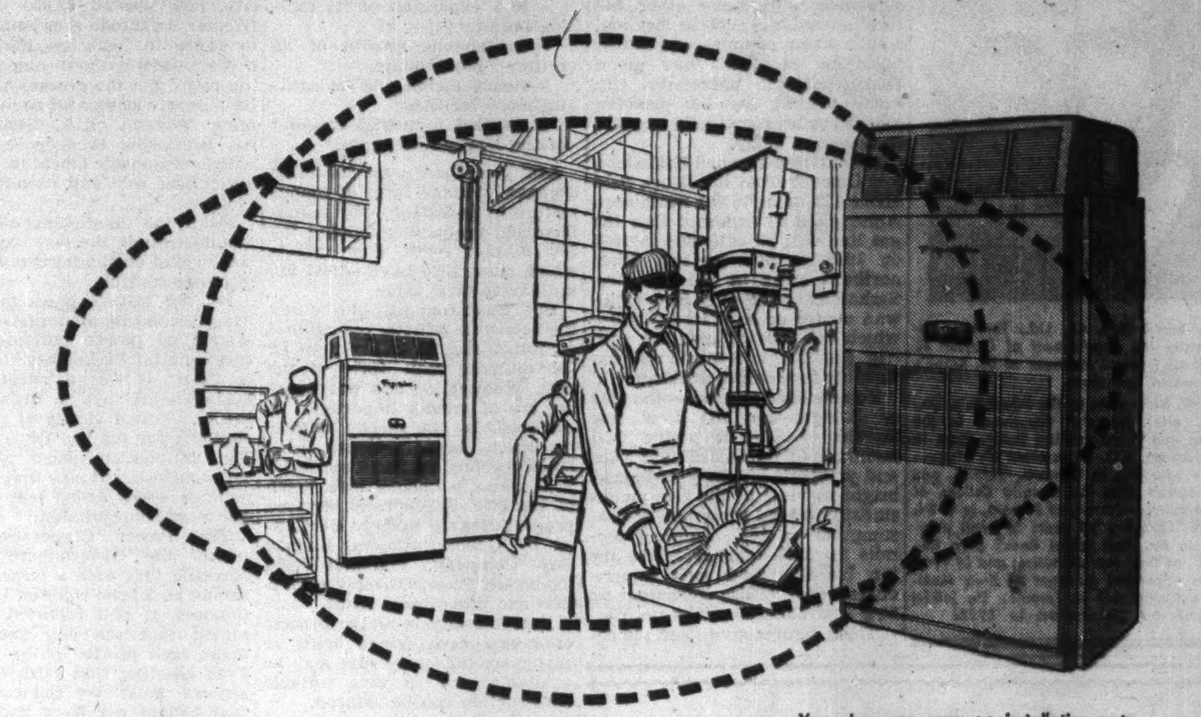

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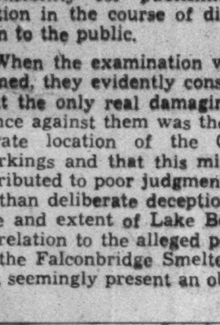

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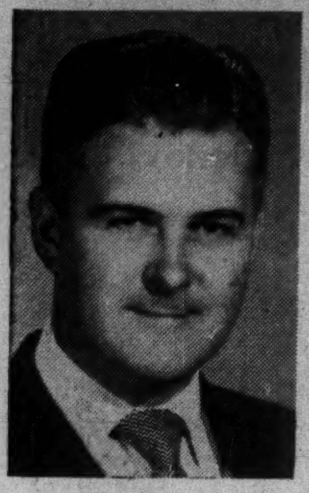
ANNOUNCEMENT



The Scholl Mfg. Co. Ltd., Toronto, announces the appointment of Clayton A. Holt as General Manager of Dr. Scholl's Canadian operations.

Mr. Holt comes to The Scholl Mfg. Co., Ltd. after extensive experience in the Drug and Pharmaceutical fields. Born in Vancouver, B.C., he received his elementary schooling in Oshawa, Ontario, and graduated from the Ontario College of Pharmacy, University of Toronto, in 1934. After spending 12 years in retail pharmacy, Mr. Holt joined Rexall Drug Co., Ltd., as field representative, and in 1947 was appointed manager of their Medicine Department in Toronto. He joined the Scholl organization in 1952.

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When 'Hot Gas' Comes to Town

With Early Start, Saskatoon Industry Spurts Ahead

From Our Own Correspondent

SASKATOON—Advent of natural gas to Saskatoon in 1953, combined with many other natural advantages such as location, ample water supplies and transportation facilities, has given Saskatchewan's university city many distinct benefits—benefits which business generally appears to recognize today.

Natural gas reached Saskatoon last October from the Brock field about 125 miles to the southwest. Although it is expected that the gasline will be extended in 1955 or 1956 to one or two other northern cities in the province, Saskatoon is the only Saskatchewan centre of any size—62,000—which can provide industry with "hot gas" fuel and this is unquestionably forwarding development.

Business in Saskatoon—the City of Bridges—for the first five months of 1954 is pretty well maintaining its record 1953 pace and prospects for the year appear bright in view of the five-month statistics which show power consumption up 20%, building permits up 35% (and 1953 was the top building year ever experienced here), excise collections up 50% and bank clearings up 5%.

These figures give some indication of the prosperity of the city which in the last six years has witnessed:

—20% expansion of its milling industry;

—tremendous growth of its refinery potentialities;

—steady increase in its packinghouse facilities;

—doubled industrial capacity of the larger firms here.

Last year there were 200 firms engaged in some form of manufacture in Saskatoon, with manufacturing production topping the $60 million mark from plants which since 1946 have added $10 millions to their value.

But Saskatonians who study the economic outlook realize that manufacturing is unlikely to be the ultimate main forte of the city. Wholesaling and warehousing are of greater importance as evidenced by the speedy manner in which large, national firms have grabbed up industrial sites in a recently opened area north of the city. These fully serviced properties were quickly developed by General Motors, Hudson Bay Company, Marshall-Wells, Cockshutt Plow, Oliver Corporation and other large firms.

Now the city is in the process of taking over fringe areas so that more industrial sites may be available and so that suitable construction can be assured.

Favorable Location

A glance at any map will show that Saskatoon lies almost squarely in the middle of the Prairies. Its beautiful location on the South Saskatchewan River, combined with its general accessibility, and ample railroad, air and bus services which make the city the hub for a huge area, offers undisputed advantages and points to Saskatoon's destiny as the great distribution centre of the West.

Indeed it is from this angle that Board of Trade and business executives view Saskatoon's future and it is known that had a guarantee of natural gas been possible two years ago, a huge mining concern which went to Edmonton would probably have established in Saskatoon. Gas, plus recent freight rate changes which brought great benefits to Saskatoon, now rates highly in plans to gear up business.

At the same time Saskatoon has cinched the lead in the province's medical world with the impending opening next January of the new $9 million university hospital. This hospital will function in close harmony with the university College of Medicine and its 550 beds mean a heavy, continuous flow of business to the city.

The fact that the Prairie regional laboratory of the National Research Council is also located on the university campus is another asset of real value, and the growth in influence and leadership of the University of Saskatchewan has always been a stimulus.

The population increase of the city, now around 62,000 in the Greater Saskatoon area compared to 46,000 in 1946, has not been accomplished without some growing pains, but the process has not been nearly as painful as in some other western cities. Saskatoon has been able to keep its debt within reasonable limits, its bonds are selling well and its mill rate is 65.

From the standpoint of civic administration the one troublesome cloud on the horizon is that of power control.

For the last 25 years the city has operated its own distribution system of power purchased at cost from the Saskatchewan Power Corp. It was a sweet little business—and not so little since the city netted almost $1 million annually for the last three years. That million cushioned the city tax structure, but now that agreement is about ended and a new one must be negotiated.

The Power Corporation, in reality the Government, while agreeing that such a large profit cannot be lopped right off the city finances, is still reported determined that the city shall not make such profits in the future. It is insisting that rates to consumers must be reduced—and that should not be a bad thing for business at large and for the small consumer.

All the foregoing is, of course, of great concern to Saskatoon but the real basis of prosperity still rests on the broad, fertile, far-reaching farmlands which form the Saskatoon trading basin. The farmers are still, in the main, highly prosperous and the outlook for the 1954 crop in mid June is certainly as rosy as at any time in memory. The entire Saskatoon basin has received extremely generous moisture so far and prospects are excellent.

It may be that a lot of wheat is unsold and still on the farms, but there is not a businessman who does not sense wheat in the granary as an incalculable asset and as first class insurance for the future.

Other Prospects

Agriculture still remains the No. 1 faucet in Saskatoon's prosperity book, but there are many other taps which promise great development and may spew new wealth.

Heading the list, of course, is the expanding nature of Saskatchewan oil and gas discoveries, nearly all in the Saskatoon orbit. With ample gas at Brock and environs and at Coleville, with light oil at Smiley—about 130 miles away—Saskatoon is close to the oil play and the nearest city to that development. Inevitably, expansion in that sector—and the west part of the province appears full of gas and oil—must be reflected in development in Saskatoon. It means big business.

At the same time another development is taking place. Largely unpublicized but of outstanding importance is the drilling for phosphate at Patience Lake, about 13 miles east of the city. This is being conducted by the American Phosphate Co. and results are reported highly favorable. Should this project emerge as a great success, it would mean the employment of at least 1,000 men around the mine site and it must add strength and color to the already brightly hued Saskatoon canvas.

No one pretends that Saskatoon will become another Edmonton—few in the city would wish it—but the immediate and distant outlook for "the most beautiful city on the Prairies" is distinctly promising.

A city whose outlook is emphasized by its broad streets, Saskatoon believes that its complete and final assurance of greatness rests on the construction of the projected $135,000,000 dam at Outlook, 60 miles upstream. There is an intensity of feeling about the dam in Central Saskatchewan of which Ottawa appears unaware. Some of the benefits sensed by zealous political proponents of the scheme may be ephemeral, but the man-in-the-street feels the dam would mean more and cheaper power, would stabilize agriculture and would be an asset of incalculable worth in the province's total economy.

With sound agriculture, construction of the dam, development of the varied natural resources surrounding the city, and with its inherent and well-rounded business capacity, Saskatoon, which likes to tell the world of its beauty and cultural perquisites, is confident its business and industrial progress will parallel, or exceed, that of any other place in the province, and in stability will rival that of any city in the West.

Saskatoon is no shrinking violet—but it seems to have the goods to support its claims.

Bethune Elected Head Of Fire Insurance Body

Norman G. Bethune, Home Insurance Co. of New York, was this week elected president of Fire Underwriters' Investigation Bureau of Canada, succeeding C. G. Angas, Yorkshire Insurance Co. Also elected were S. M. Elliott, Phoenix Insurance Co. of Hartford, as first vice-president, and L. W. Blair, Federation Insurance Co. of Canada, as second vice-president.

W. E. Baldwin, Continental Insurance Co., was re-elected to the executive committee. New committee members elected were Charles Curtis, Employers' Liability Assurance Corp., D. K. MacDonald, London Assurance, and J. J. Kilgour, Security Insurance Co. of New Haven.

CHARLES DOJACK

of National Publishers Ltd., Winnipeg, has been elected president of the Sales and Advertising Club of Winnipeg.

BOOKS FOR BUSINESSMEN

HON. RAY WILLISTON, Minister of Education for British Columbia.

More attention must be given to those who should attend university rather than be satisfied with the efforts of those who can attend.

For proper development and leadership, we should not be satisfied with the efforts of those who do their best: rather we should ensure that the best have an opportunity to do their best for the benefit of us all. There always will be an increasing need for expanded scholarship offerings on the university level as our technological advance becomes more involved, and our world political situation more complicated.

Standards are constantly moving forward, because our level of expectancy has unconsciously been more demanding. We sometimes belittle some aspects of the workmanship on our new cars and equipment, and harken back to the so-called "good old days." But we would not trade our present vehicles under any circumstance. The same holds true for the products of our schools, but we seldom realize this.

In 1948, we were warned that our training programs must be enlarged to accommodate at least 50% more pupils. This has not been done. Next fall, conservative estimates place the shortage of properly trained teachers in Canada at about 25,000, and the situation continues to get worse.

In times of war, the selection and training of instructors received top priority, even before the needs of the front lines are met. Some day we will learn that such an attitude must prevail in times of peace, if we intend to give more than lip service to our democratic responsibilities.

Farm Pocketbook Gets Belt, Boost

There's both good and bad news for Western grain men in latest reports from the farm science front. The good will mean more money in the pockets of feed-growers, the bad means money out of pocket for affected growers.

The good news: A new disease-resistant barley called Vantmore has been licensed for distribution. It is said to yield well. It's expected to be ready for use by seed growers in 1955 and for farmers generally in 1956.

The bad news: A plant called tartary buckwheat which produces kernels about the same size as wheat. The two are difficult to separate in ordinary cleaning machines. The weed is partly resistant to 2, 4-D sprays, has now spread from Alberta to Northeastern Saskatchewan. Certain quantities of tartary buckwheat in wheat led to downgrading.

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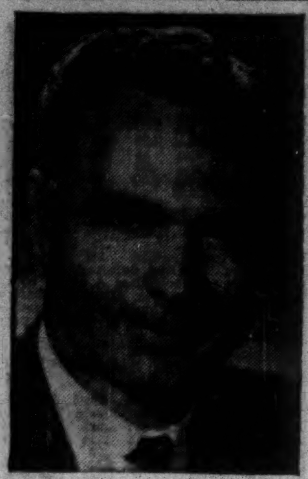
On Toronto's famous Yonge Street, some 90,000 people rode the surface cars each day. At rush hours, the narrow artery was jammed with traffic. It took 47 minutes to go from end to end of the route. But that's all over now. A new $60,000,000 subway cuts running time to 17 minutes—saves citizens a staggering 936,000,000 minutes of travel time a year!

Anaconda is naturally proud of the important part played by copper and its alloys in this big project. For here is another instance where these metals were chosen because of long life, plus ability to defy rust, and withstand corrosion. This proves again the wide versatility of Copper. It adds another page to the record of Anaconda, long recognized as Canada's main supplier of Copper, Brass and Bronze. *Anaconda American Brass Limited, Main Office and Plant, New Toronto, Ontario —Montreal office: 939 Dominion Square Bldg.*

ANNOUNCEMENT



Mr. W. R. MacKenzie, Chairman of the Board and President of Western Canada Breweries Limited, announces the appointment effective June 1, 1954 of Mr. H. W. Mulholland as General Manager of the company.

Mr. Mulholland, who has been associated with the company for fourteen years, will also continue to act as President of Vancouver Breweries, Limited.

In addition to the Vancouver plant, Western Canada Breweries Limited and its subsidiaries operate The Drewrys Manitoba Division in Winnipeg, Drewrys Saskatchewan Division in Saskatoon, Blue Label Brewery Ltd. in Regina, and Red Deer Brewing Co. Ltd. in Red Deer.

LESSON FOR ONTARIO

Is This Recipe For Scandal-Free Highways?

Here's How Ontario Roads Practice Compares With North Dakota's

How does Ontario highways department practice stack up against one of the best-run highways departments in North America, in the State of North Dakota? The legislative committee probing into Ontario's road mess was to visit the capital, Bismarck, this week to hear about experience with roads there.

Here is a summary of North Dakota's highly successful system of administration, written especially for The Post, with some comparisons with Ontario practice.

One of the most important safeguards of honesty and efficiency is prequalification of contractors. Michigan (The Post, May 29) also adopted this method in cleaning up its roads department

(Special Correspondence)

BISMARCK, N. Dak.—A comprehensive set of modern highway laws is one of the primary reasons the North Dakota Highway Department is able to operate efficiently and with few irregularities.

The highway laws are quite specific in the way the Department shall deal with contractors, and this permits the Department officials to keep control of the companies building the state's highways.

Only last week, the chairman of the Highway Laws Committee of the National Association of County Officials praised the North Dakota Highway Laws. Louis R. Morony said North Dakota is the only state that has made a real attempt to bring its highway laws up to date.

The state requires the prequalification of contractors who bid on projects. If a contractor can't qualify, he cannot even get the proposals for bidding and he is not allowed to even enter a bid.

The highways commissioner arrives at the financial qualification of each contractor by multiplying the difference between his assets and liabilities by five.

In addition, each contractor must furnish equipment and experience statements and these are taken into consideration by the commissioner to determine the qualification of the contractor.

(In Ontario, the J. D. Woods and Gordon report recommended much the same system. Contractors would be rated as to the amounts and types of work they can handle before being allowed to bid. This would prevent contractors from requiring improper financial assistance from department employees during the work. The Post, May 22.)

A contractor may bid on more jobs than he is qualified for but if he is low on more than he can handle, the Department would award him only as many as he is qualified to handle.

(Ontario has had no regulation for deciding how many or what jobs a contractor gets when he bids low on several jobs. A proper system is needed to prevent contractors from getting in over their depth. It reduces temptations to various improper arrangements between contractors and resident Department engineers.)

The N. Dakota contractor is not allowed to select the jobs he wants of those he is low bidder on. Rather, the Department determines which one he will have, keeping in mind the best interests of the State.

In some states also, a contractor is allowed to "qualify" his bid. That is, he may be bidding on two jobs and he will decide that as long as he didn't get Job X he doesn't want Job Y, even though he may be low on it.

Bids must be advertised for by the Department. All bid openings are open to the public and the time and place of the bid opening must be advertised.

(Ontario has not in the past opened bids in public, though this practice is widely recognized as a necessary guarantee of honest administration of a highways department. Details of even the low bid has been kept confidential in Ontario. Bids have in some instances not been opened for days after the opening date advertised.)

In North Dakota, a contractor must write it in his proposal that he is entering a "qualified" bid. Otherwise, the Department can award him the second job even if he doesn't want it, and then he would have to do it or forfeit his deposit.

Each bid on a job must be accompanied by a certified cheque for 5% of the contractor's bid.

(Ontario asks a 15% deposit, but several bids may be submitted with only one deposit, to cover the successful one, if any. A 5% deposit would be adequate with prequalification of contractors, according to the Woods & Gordon report. By cutting road builders' financial needs, a 5% deposit would cut costs.)

The Department retains the cheques of the three lowest bidders on each project until the contract is awarded. It may cash the cheque of the low bidder and retain the money until the contract has been awarded and properly executed.

The Department also may reject all bids if it feels they are too high. Then it must re-advertise and hold another opening.

Contracts must be awarded to the lowest and best bidder. However, if the low bidder is awarded other contracts that use up his qualification, the contract could go to the second low bidder. And if the second low bidder has used up his qualifications, it could go to the third low bidder.

Once bids are opened, there is no formal method of notifying contractors of the results. However, contractors may obtain that information by asking for it and it is posted on the Department's bulletin board and most North Dakota newspapers carry the results of the opening.

On a project on which the Federal Government has money involved, the U. S. Bureau of Public Roads must approve the contract. If it withholds its approval, because the contract seems too high, the Department cannot award a contract on the job. It works the opposite way often. The State rejected bids and the Bureau feels the bids were not too high.

When a contract is awarded, the contractor must furnish a suitable bond in at least the amount of the contract. This protects the Department in case the contractor goes broke on the job.

There are no "bail outs" or "adjustments" by the Department, of the type reported in Ontario.

(Ontario contractors have in some cases been able to get records of the amount of work done varied from the truth in order to make up for the unit prices that were too low. Contractors are bonded, but bonding companies have rarely been called on in the past few years, a fact the Woods & Gordon report regarded as unfavorable.)

Bids are made on a unit basis and sometimes the quantities may run a little more or less than the Department's estimate, but the amount is usually relatively small.

(Contracts ran more than $15 millions over the amounts of the accepted bids in 1950 in Ontario. Quantities that had to be moved by contractors on the job exceeded original estimates.)

The North Dakota Department's own engineers stake out each project. If a contractor "overbuilds" the road, he isn't paid for the extra material.

If a plan is changed, there must be an approved "change order." This must be approved by both the Department and the Bureau of Public Roads.

(The Woods & Gordon report found there had been some building of roads to higher standards than called for, with possible benefit to the contractor. The Department has since claimed road standards were raised on Trans-Canada Highway work, and this was the reason.)

Each project has a resident engineer. He is in the field with the project and ascertains that the contractor is meeting the specifications as set up in the contract.

To prevent collusion between contractor and resident engineer, there are three other engineers that periodically check jobs. They are the materials engineer, the construction engineer and the division engineer.

(Ontario's Department till recently did not have adequate checks on resident engineers. It has since instituted an audit system by more senior engineers.)

Also, all material, except dirt, is weighed and contractors are required to provide shipping orders of materials such as cement on concrete projects and oil for asphalt projects. In this way, the Department can check to see that the contractor is using enough of these materials to build a certain number of miles up to specifications.

(Ontario buys cement, asphalt, fence posts, etc., directly, and charges them to the job. The contractor turns back any material he has as surplus after the job is complete, or when work is discontinued for a period. "Difficulties in controlling the materials" delivered to the sites could be prevented by charging the materials to the contractor instead of the job, and crediting the contractor for materials actually used on the job, the Woods & Gordon report said.)

The Department has a sufficiency rating for roads in the state, but top Department officials said it has not been "refined enough" to be used extensively.

The Department is anxious to be able to rely on the sufficiency rating, as it would relieve it of local and political pressure when it comes to planning a program for the coming year.

(Sufficiency rating is a scientific method of establishing road-need priorities and setting up a program that can be published well in advance of actual work. See "Handcuffing the Politicians," The Post, May 29.)

All highways in North Dakota are pre-engineered by the Department and it does this work about two years ahead of time.

(Ontario's Department is so inadequately staffed it will likely retain outside consulting engineers to do Department pre-engineering if it is to bring this work up to what it should be. Planning is so limited that sometimes the contractor is held up while the Department completes acquisition of land on the right-of-way. Projects are often decided on at the "last minute" at levels above the engineering staff.)

In all, there are about 50 professional engineers in the North Dakota Department.

It employs about an average of 1,500 persons, including maintenance employees, clerks and the like. This number varies some, increasing in the summer when the majority of the highway work is done.

The Department operates on an annual budget of about $15 or $16 millions. Of this total, about $4 millions is for maintenance.

(Ontario's Highways Department employs about 228 professional engineers to handle annual Department expenditures of about $150 millions. North Dakota thus has about twice as many engineers per $1 million of work. Number of engineers in both departments make up about the same proportion of the total departmental staff. So Ontario's total staff is also smaller in relation to its job. The Woods & Gordon report said Ontario was seriously understaffed. More federal money for highways in the U. S. may modify the comparison with North Dakota somewhat.)

The commissioner is appointed by the Governor of North Dakota and serves at his pleasure. As such, the post is a political one. A governor is almost committing political suicide if he appoints a commissioner who is not capable, however.

Even in the days of the various three and five man commissions, before 1933, there were no widespread irregularities in the Department.

(Ontario has had highway scandals before, but effective steps were not taken to prevent the recent irregularities.)

Under the commissioner is the chief engineer. He has under him six department heads, all of equal status.

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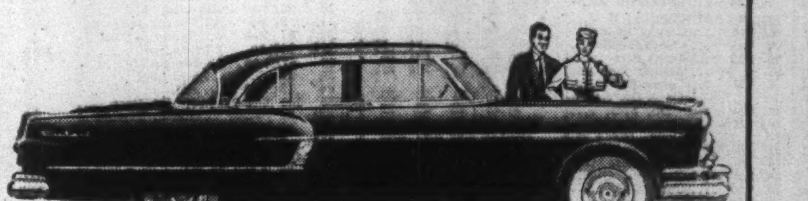

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WEEK ENDING JUNE 11, 1954

STOCKS NOT TRADED THIS WEEK

	Div. Rate $	Last sale	June 11 Bid	June 11 Ask
Acme Glove	..	5½	..	5
Admiral Corp.	▲1.00?■	25½	18¾	18½
Agnew Surp. pf.	.55	9½	9½	9½
Amer. Cyanamid	▲2.00	46	44¾	44¾
Andian Nat.	▲.40	7	7½	8½
Ashdown Hdw. A	.60	12	12	..
Auto Electric A	.50	9½	9¾	9¾
Auto Fabric B	*.10	2	..	2½
Bates & Innes	1.00	10	10	13
Beaver Lumber	*1.50	60	60	..
Do. A	1.00	20	20½	..
Do. pf.	1.40	28½	28¼	..
Belgium Stores	•	6	..	5
Do. pf.	1.00	14	..	..
Bickle-Seag.	..	.50	.30	.50
Bird Constr.	2.00+†.50	36	38	..
Blue Ribbon	..	19	..	17
Bowes Co.	..	12	12	..
Brant. Cord. B	..	8	6½	8
Bright, T. G.	..	8½	8¾	9½
Do. 5% pf.	1.15	19¾	19½	21
Burnett Ltd.	..	3½	..	2½
Butterfly Hos.	.40	5½	4.90	5.25
Caldwell Linen	.80	14	..	13
Do. 1st pf.	1.50	26½	..	26
Do. 2nd pf.	.80	12½	..	12
Calgary Pwr. 5%	5.00	104	103½	..
Can. Floor B	.60	10	9	10
Can. Foils A	.60+*▲▲.02	14½	14½	15
Can. Forg. A	1.50+†.50	32	25	30
Do. B	*1.50+1.40	90	..	110
Can. Life	3.00	96½	96	102
Can. W. Cord A	.50	9½	..	..
Can. Wire C. A	4.00	153½	..	153
Can. Arena	..	62½	55	95
Cdn. Bronze pf.	5.00	103	105	..
Can. Convert. A	..	4	3	4
Do. B.	..	3½	..	..
Cdn. Fairb. pf.	6.00	121	121½	..
Cdn. General Electric	*5.00+4.00	590	480	600
Can. G. Sec. A	*10.00	127½	153	250
Do. B	*10.00	112	153	..
Can. Ice Mach.	*.10	6	5	6
Do. A	.80	11	11	12
Cdn. Propane	..	.75	.77	.80
Can. Salt	..	9	9½	..
Can. Silk	1.00	10	8¾	10
C. W. Lumber	†.37½	10¾	..	..
Canvar Ind. Ltd.	•	24	23	..
Casmont pfd.	7.00	106	105	107
Cent. Can. Invest.	.40	11	10¾	..
Do. pf.	5.00	99½	99	..
Cent. Nor. Air. A	†.50	4.00	4.00	5.00
Do. B	..	4.00	..	2.00
Chatco Steel	..	4½	4	525
Chrysler Corp.	▲6.00	60	57	58½
Cinzano A	4½d	.40	.40	.42
Do. 5½% pf.	5½%	1¾	.54	..
Circle Bar Knit	..	4.75	..	5½
Claude Neon A	..	3.70	3.45	4.00
Cochrane-Dun. A	*stk.	16	16	16½
Coll. Term.	*.50+.50	15	13	..
Do. pf.	*.50+.50	11¾	13	15
Comb. Enter. pf.	5.00	88½	87	..
Cons. Fire Co.	..	3¾	4.05	7.00
Cons. Press A	.65	5½	5½	6
Cons. Textile	•	6	6	6½
Do. pf.	1.00	22	20	21
Cont. Can.	▲2.40	..	64½	64½
Corr. P. B. 5% pf.	5.00	100	100	..
Craig Bit.	•	3¾	..	3½
Crown Cork	2.00	40	40	43½
David & Fr. A	*1.50	45	45½	..
De Havilland A	†1.00	105	100	120
Disher Steel	*.25	10	9	14
Do. pf.	1.50	25	25	..
Dom. Ang. I.	*8.00+6.00	240	212	240
Do. pf.	5.00	89	90	..
Dom. Fabrics	.80	9½	9½	10
Do. 2nd pf.	1.50	20½	20½	24½
Dom. Scot. Inv.	*.25	14	12½	14½
Dom. Square	4.00	75	70	76
Donnell & M. A	..	1.50	1.50	2.70
Dow Kingsbeer	..	20½	..	..
East Koot. Pr. pf.	..	50	..	60
Eas. Thea.	*2.00	35	25	..
Elora Indust.	..	.20	..	.50
Do. pf.	..	3	3	5
Enam. & Heat	.20	7½	7	8
Equitable Life	*.25	23	24	..
Erie Floor & W. A	.50	6	5¾	9¾
Federal Fire	*2.00	45	46	..
Fibre Products	•	4¾	4¾	4¾
Do. pf.	.30	6	6½	7
Fisher & Burpe	*.10	7	..	..
Fittings	..	7¾	7¾	8¾
Flash Fast. pf.	•	3.05	3.00	3.50
Ford Motor B	*1.50+1.25	93	90	..
Fraser Cos. pf.	4.75	103	102	..
Freiman	.50%*.50	12	11	..
Do. pf.	4.50	80	85	..
Gen. Discounts	..	10	..	..
Gen. Prod. A	*stk.	44½	44½	45
Do. B	*stk.	42	46¾	..
Gord Belyea	4.00	76½	..	..
Gord. Mackay B	1.00	8½	8	10½
Gould Pumps pfd.	▲1.00	..	14½	..
Grand & Toy	.60+*.20	23	18½	..
Gt. West Saddlery	2.00	24½	23	23
Greening Wire	.20+†.50	4.50	4.50	4.50
Growers Wine	..	1.65	..	..
Gulf Oil	▲2.00+†■	57	54¾	55
Gurney Prod. c.	..	2.00	2.00	2.65
Do. pf.	1.60	24½	21½	21½
Hahn Brass	1.00	15	14¾	16½
Do. pf.	.80	14½	14½	15
Ham. Bridge	†.50+1.00	21	21	..
Hamilton Cot. 5% pfd.	5.00	98	98	..
Hartz, J. F. A	.50	8	8¾	9¾
Hend. Pap.	1.00+†.25	13	13½	..
Do. pf.	5.00	71	75½	..
Hillcrest Coll.	..	.35	.36	.45
Holden Mfg. B	†.20	3	2	3
Holt Renfrew	..	27	40	..
Do. pf.	5.00	99	96½	..
Horner, F. W. A	.50	10	9¾	..
Ho. De La Salle	..	18	18	..
Hubbard Felt	..	4	..	3
Do. A pf.	1.50	10	10	13
Hughes Owens A	.80	12½	12½	12½
Do. B	*.20	..	7½	..
Do. pf.	1.60	25¾	25½	..
Huron & E. Mt. 20% pf.	1.20	25	26	27
Imperial Life	1.50	49	48	50
Imperial Var. pf.	1.50	30	..	..
Inter-City B.	.80+*.25	14	13½	20
Interior Brew	.24	4.50	4.50	..
Int. Metal Ind. pf.	4.50	103	102½	..
Int. Milling pf.	▲4.00	83½	88	92
Int. Nickel $5 pf.	▲7%	6½	6½	..
Int. Paints pf.	1.20	24	24	26
Int. Pap. pf.	▲4.00	99½	..	..
Int. State R. A.	..	3	3	..
Do. B	..	25	26	..
Jam. Pub. Ser. pf.	7.00	100	98½	100
Johns-Man.	▲3.00+†1.25	69½	66½	66¾
Johnston Term.	*.30	10½	10½	..
La Comp Fon	..	29	..	..
L. of the Woods pf.	7.00	140	140	145
Lambert Alf. pf. B	.60	17	14	18
Law. & Jones A	*stk.	21½	21	21½
Do. B	†stk.	20	17½	20½
Legare pf.	†2.00	24	..	24
Lindsay, C. W.	..	22	22	..
Do. pf.	..	140	140	..
Loew's Th.	4.00+†1.00	80	90¾	..
London Can. Inv.	†.15	3.25	3.25	..
Mailman Corp.	..	18	..	..
Mn. Sug. pf.	6.00+■■3.00	102	102	..
McBrine pref.	1.00	14	11½	..
McCabe Grain B	.60	11½	..	..
Melchers	..	4	4	4½
Do. pref.	.60+*.10	10½	10½	10½
Mersey Paper	†1.00■	90	90	95
Mexican Trams	..	6½	7¾	8½
Mitchell, J. S.	1.25	37	..	37
Mon. Life 40% pf.	12%	155	153	..
Monarch Mge.	2.00	41	37	41
Mon. Refrig. & S.	*1.00	38	39	..
Moore Corp. pf. A	▲7.00	420	464	480
Do. pref. B	▲7.00	582	708	..
Morrison Brass	..	5½	5½	5¾
Nat. Grocers pref.	1.50	27½	27¾	28
Nat. Hosiery A	.20	6½	6½	7¾
Nat. Lead	*▲.80	32	44¾	45
Neon Prd. of W.C.	.80	26	..	25
North Can. Mtge.	*1.00	50	45	55
Office Spec.	.40+*.10	11½	11½	12½
Ont. Beauty Sup.	..	20	..	..
Do. pref.	..	5½	..	7
Ontario Loan	1.00+*.10	32½	24	25
Ont. Steel pref.	7.00	145	126	..
Paton Mfg.	.80	9	8	..
Do. pref.	1.40	21½	21	..
Paul S.S.	..	7½	7	8½
Penmans pref.	6.00	113	106	120
Pitt Plate Glass	▲*.35	51¾	52½	52½
Premier Trust	*▲.40	70	71	75
Que. Tele. A	.75	52	..	..
Quinte Mk. A	.60+*▲▲.20	8½	8¾	10
Do. B	*▲▲.20	3.60	3.65	..
R. & M. Bearings A	1.10+†.10	17½	17	..
Reitman's 5% pfd.	1.00	20	20½	..
Reliance Grain	..	20	..	..
Renold-Cv. A	1.10+*.05	17½	18	..
Rivers Mill B	•	3½	3.25	3.25
Robertson P.L. 5% pfd.	2.00	41	41½	42
Pfd.	1.00	24	..	..
Robinson Little	.80	11½	11	11½
Do. A	1.00	14½	14½	15
Royal Oak Dairy	.60	10½	10½	..
St. Law. Flour pf.	7.00	119	115½	..
Scarfe & Co. B	.40	7¾	6½	..
Scythes & Co.	*.50	17	..	17¾
Do. pref.	1.25	25	..	25
Shirriff's pref.	1.00	20¾	20½	21
Sidney Roof A	.90	20	20	..
Silknit	1.00	17	17¾	18
Do. pref.	2.00	34	34	..
Silverwoods B	*.35	10	10½	..
Simon & Sons	*.50	17	16	17½
Slater N.	.60	42	42½	43
Do. pref.	2.12	42½	45	49
Sov. Life 25% pd.	7%	65	64	..
Do. 20% pd.	7%	65	..	..
Stand. Clay	..	9¾	9½	12
Stanley Brock A	.60	7½	7½	8½
Do. B	.40	5	5	6
Sterling Trust	1.40	31	30½	..
Stovel-Adv. P. pf.	..	3	3	3
Stowell A pref.	1.50	18	18	20¾
Do. B	..	10	9	..
Suez Canal cap.	..	♦215	..	..
Do. jo.	..	♦165	..	..
Sun Publishing	*stk	34½	35	..
Sup. Pete com.	.80	18¾	14	..
Tip Top Can. A	.50	5	6	8¾
Tooke Bros.	..	.60	.65	1.00
Do. pref.	..	2.50	1.00	2.50
Toronto Elevators	.80	13½	13¾	14½
Tor. Mortgage	5.00+*.25	103	101½	105
Tor. Savings	..	14	15½	..
Traders Fin. B	*1.80	39½	35	40
Do. A rights	1.00	16½	16	..
Do. B rights	1.00	16	16	..
Un. Amuse. A	.50+†.15	11	11	11½
Do. B	.50+†.15	10	7½	..
Do. A V.T.	.50+†.15	10	10	..
United Can. Shs.	*.30	12½	12½	..
United Distill.	..	24	..	21½
Viau Ltd.	2.00+*1.00	60	50	75
Viceroy A	.50	8½	8½	8½
Do. B	..	5.50	4.25	5.25
Vir. Dare 5% pref.	.30	15	14½	14½
Wesley Mason M.	•	45	..	40
West. Grain	..	.30	..	..
Do. pref.	..	.60	..	..
West. Grocers pf.	1.40	32½	32½	32¾
West. Koot. pref.	7.00	155	..	..
Willson Stat.	..	34	34	40
Wilson, J. C.	.70	8	7½	8½
Windsor Hotel	†.50	32	31	32
Wpg. Winter Club	..	175	..	..
Woods Mfg.	†stk	23½	23½	28½
Wool Combing	..	4	4½	6
York Knit. A	•	2½	2½	4
Do. B	..	.75	..	.98
Zellers 5% pref.	1.25	26¾	26¾	..

▲U. S. funds. •Divd. deferred. ‡‡1 share pref. stock for each class A or B. ■Plus stk. divd. †Paid in 1953. ♦♦Initial. ♦Before stock split. **After stock split. ▲▲Participating divd. ■■On arrears. *Paid or payable in 1954.

Mining Stocks

	Div. Rate $	Last sale	June 11 Bid	June 11 Ask
Arno.	...	.00½	.01½	.02½
Atlas Y'fe.	...	.11½	.11	.15
Band Ore	...	.03	.02½	.03½
Belleterre	*.05	3.55	3.50	3.75
Bruce Cons.	...	.00½	.00½	.01
Canusa	...	.03	.02½	.05
Castle Treth	*.10	2.60	2.60	2.70
Cent. Manitoba	...	.06	.06	...
Cen. Patricia	...	.71	...	...
Coleman A	...	.18	.12	...
Do. B	...	.12	.12	...
Crestaurum	...	.07½	.07½	.08
Cron. Bab.	...	.05	.05	.06
Cryderman	...	.01½	.00¾	.03½
Dickstone C.	...	.05	.02½	.05
Flin Flon	...	.01½	.01	.01½
Fontana '45	...	.00½	.02	.02½
Forty-Four	...	.75	.73	...
Golconda	...	.16	.18	...
Gold Lake	...	.03½	...	.03
Grandoro	*.02	.44	.40	.44
Grandview	...	.21	.18	.21
Great Falls	...	.03	.02	.06
Hallnor	*.10	3.20	3.00	3.20
Indian L.	...	.03¾	.03¾	.04
Island Lake	...	.01	...	.01
Island Mountain	...	.32	.30	.38
Kerr Lake	▲†.05	.50	.50	...
Kontiki	...	.13½	.13½	.24½
Koot. Base	...	.02½	.02½	...
Mandalay	...	.00½	...	...
Maralgo	...	.07½	.06	.06¾
Matachewan	...	.16½	.14½	.15
N. Louvre	...	.05½	.04	...
Newlund	...	.16	.16	.17
Nicoba	...	.20	...	...
Nor-Acme	*.03	.66	.62	.65
Normandy	...	.01	...	.01½
North Empire	...	1.99	1.90	...
Obaska	...	.06	.06½	.06½
Orenada	...	.06	.06	.06½
Packsack	...	.01½	.01	.03½
Powell Rouyn	...	.63	.64	.72
Prem Bord.	...	.05	.04¾	...
Privateer	...	.02½	.03	.03½
Red Cloud	...	.01½	.01½	.02½
Red Crest	...	.02½	.02	.04
Red Hawk	...	.02	.02	.03
Renabie	♦♦*.05	2.60	2.60	2.99
Rice Lake	...	.01½	.01	.02
Rowan Cons. B w.	...	.01	.01	.01½
Ryanor	...	.09½	.09½	.12
Scotia Gold	...	.01½	...	...
Sigma Mines	*.40	5.60	5.50	6.00
Silvan	...	.11½	...	.12
Silver Ridge	...	.10	.10	...
S. American G.	▲*.20	1.10	...	...
Spud Valley	...	.02½	.02½	.05
Star Lake	...	.01½	.01	.01½
Suquash Coll.	...	.15	...	.20
Tache Lake	...	.08	.06½	.09
Towagmac	...	.08	.08½	.09¾
Utica	...	.01	...	...
West Mal.	...	.05	.04½	.05
West Ex.	...	.32	.25	.32
Windw'd	...	.07	.06¾	.08
OIL STOCKS				
Aldina	...	.15	...	...
Candn. Ana'da.	...	.09	.10½	.12
Candn. Prospect	...	7.85	6.00	6.75
Cascade	...	.06½	...	...
Coastal	...	.70	.70	...
Command	†.08	.90	.70	1.05
Commoil	*.20	3.75	...	...
Cons. Cord.	...	.23½	.25	.27½
Futurity	...	.20	.20	.22
Gateway	...	.16	.13	.15
General P.	.20	6.30	6.00	6.35
Golden SP.	...	.07	.06½	.08
Marvel	...	.02	...	.02½
N. Davies	...	.16½	.16½	.20
N. Richfield	...	.15	.09½	...
Nordon	...	.16	.12	.19
So. West Pete.	...	.40	.38	...
Sparmac	...	.20	.18	.21
Sturgeon	...	.10	...	.12
Turner V.	...	.30	...	...
Vulcan	...	.35	.30	.35

▲U. S. funds. †Paid in 1953. •Dividend deferred. *Paid or payable in 1954.

Bond Redemptions

Bond issues:	Rate	Year	Cal. Pr.
*Atlas Steels 5% conv. Deb.	5%	'67	July 6 $100
■■Atlas Steels 4¾% 1st Mtge. S.F. Bds.	4¾%	'66	July 5 $100
‡Can. Iron Found. Ltd. S.F. Deb. Ser. B	5%	'69	June 18 $100
*Colonial Steamships Ltd. 1st mtge. S.F. Ser. A	4½%	'61	June 30 $100.
♦Interprovincial Pipe Line 3½% 1st mtge. & coll. tr. ser. B	3½%	'70	July 1 $101½
•Massey-Har.-Ferg. 5% 15 yr. S.F. Debs.	5%	'67	July 1 $101
*Montreal Tram. Ser. A, Gen. Mtge. S.F. Bds.	5%	'55	June 28 $100⅛
*Montreal Tram. Ser. A, Gen. Mtge. S.F. Bds.	4½%	'55	June 28 $100⅛
*Montreal Tram. Ser. B, Gen. Mtge. S.F. Bds.	5%	'55	June 28 $100⅛
*Montreal Tram. Ser. B, Gen. Mtge. S.F. Bds.	4½%	'55	June 28 $100⅛
*Traders Fin Corp. 4% conv. S.F. Deb.	4%	'65	July 30 $102

*All outstanding.
‡$77,000.
•$400,000.
♦$486,000.
**$107,000.
■■$248,000.

Record of Financing

Sales by Municipalities, Provincial and Dominion Governments. Offerings of Corporation and Foreign Securities

DOMINION

Government of Canada Treasury Bills.—Due Sept. 10, 1954, and Mar. 11, 1955, $40,000,000. Issued June 10, 1954. Sold at $99.599 to yield 1.62% and $98.583 to yield 1.91%.

MUNICIPAL

Town of Trenton, N.S.—3¾% and 4% debentures, due June 1, 1955-64-74, $60,000. Issued May 27, 1954. Sold at $100.20 to Dominion Securities Corpn. Limited.

City of Cap-de-la-Madeleine, P.Q.—3% debentures, due June 1, 1955-74, $106,500. Issued May 31, 1954. Sold at $94.18 to Banque Canadienne Nationale and Morgan, Kempf & Co. Limited.

Town of Windsor, P.Q.—3% debentures due June 1, 1955-74, $92,000. Issued May 31, 1954. Sold at $93.202 to Dawson, Hannaford Limited.

Town of Barrie, Ont.—4% debentures due June 17, 1955-74, $136,000. Issued May 31, 1954. Sold at $103.23 to Harrison and Company Limited and Deacon, Findley, Coyne Limited.

Town of Cowansville, Ont.—3% debentures, due June 1, 1955-70, $45,000. Issued June 1, 1954. Sold at $95.65 to Bank of Montreal and A. E. Ames & Co. Limited.

Board of Roman Catholic School Commission of City of Sherbrooke, P.Q.—3% and 3¼% debentures, due June 1, 1955-59-74. $260,000. Issued June 1, 1954. Sold at $96.521 to L. G. Beaubien & Co. Limited, Banque Provinciale de Canada and Greenshields & Co. Inc.

Village of Sidney, B.C.—3¾% debentures due July 1, 1955-74, $190,000. Issued May 28, 1954. Sold at $103.11 to A. E. Ames & Co. Limited.

Westbourne School District, Man.—4½% debentures, due Dec. 1, 1954-68, $35,000. Issued May 18, 1954. Sold at $103.75 to Burns Bros. and Denton Limited.

Township of London, Ont.—4% and 4½% 1-20 year debentures, $600,000. Issued May 26, 1954. Sold at $101.09 to Midland Securities Corpn. Limited and Isard Robertson & Co. Limited.

Village of Wheatley, Ont.—4½% debentures due June 30, 1955-69, $30,000. Issued June 9, 1954. Sold at $103.20 to Harrison and Company Limited.

Town of Boissevain, Manitoba.—5% debentures due May 1, 1955-74, $370,000. Issued May 1, 1954. Sold privately to Harrison and Company Western, Limited.

Town of Yarmouth, N.S.—3¾% 1-10 year debentures, $20,000. Issued June 3, 1954. Sold at $100.74 to Royal Bank of Canada and Royal Securities Corp. Ltd.

CORPORATE

Peoples Credit Jewellers Limited—5½% first mortgage sinking fund bonds, due May 1, 1969, $1,500,000. Dated May 1, 1954. Sold privately to Gairdner & Company Limited.

Downtowner Estates Limited.—6% first mortgage sinking fund bonds, due May 1, 1971, $127,000. Issued May 31, 1954. Offered at $100.00 by Thomas B. Read Company Limited.

Vancouver Finance Co. Limited.—6% sinking fund debentures, series A (carrying stock purchase warrants), due June 1, 1966, $200,000. Issued May 31, 1954. Offered at $100.00 by H. J. Bird & Company Limited.

Laurentide Acceptance Corporation Limited.—5½% sinking fund debentures, series D, $700,000. Issued June 1, 1954. Offered at $100.00 by Gairdner & Company Limited, F. J. Brennan & Company Limited, Lajoie, Robitaille & Cie Limitée and J. T. Gendron Inc.

Government Bonds

June 15, 1954 (Supplied by Investment Dealers' Assoc. of Canada)

%	Due	Bid	Ask
Govt. of Can. Bonds:			
2	May 1957 ...	100	100¼
3	Jan. 1959 ...	100¼	101
3	June 1960 ...	100¼	101
3	Feb. 1962 ...	100¼	101
3	Oct. 1963 ...	100¼	101
3	Sept. 1966 ...	99¾	100¼
2	June 1956 ...	99¾	100¼
3¼	June 1968 ...	100	101
3	Perpetual ...	†94	95½
2¾	June 1968 ...	96	97
3¾	Jan. 1975/78.	106	107
Gov. of C. Guaranteed Bds.:			
Can. Nat. W. Ind. S.S.:			
5	Mar. 1955 ..	▪101¼	101¾
Grand Trunk Pacific Rly.:			
3	Jan. 1962 ..	▪101	102
4	Jan. 1962 ..	▪107	109
Can. Nat Railways:			
3	Jan. 1959 ...	99¾	100¼
4½	Feb. 1956 ..	▪103	105
4¼	June 1955 ..	▪101	103¼
2¾	Jan. 1967 ...	96	98
3	Jan. 1966 ...	99	100
2¾	Sept. 1969 ...	96	98
4½	July 1957 ..	♦106	108
Prov. Govt. Bonds			
Alberta:			
2½	Mar. 1970 ...	♦97	99
British Columbia:			
4½	Jan. 1969 ..	♦112	114
3	Dec. 1960 ...	98½	100
3	June 1984 ...	97	99
6	Sept. 1959 ..	♦108½	110½
B. C. Power Comm.:			
3	Oct. 1967 ...	96	98
Manitoba:			
4	Dec. 1957 ..	♦102½	104
5	Dec. 1959 ..	♦109	111
5½	July 1958 ...	106	108
3	Oct. 1965 ...	96	98
4½	Dec. 1956 ..	♦103	105
New Brunswick:			
4½	Apr. 1961 ..	♦107	109
2¾	June 1966 ...	91	93
3¼	May 1957 ...	99	100¼
3¼	Sept. 1965 ...	98	100
Nova Scotia:			
4½	Nov. 1960 ..	♦107	109
5	Mar. 1960 ..	♦109	111
3¼	June 1963/65.	97½	99½
3	June 1956/58.	98	100
2¾	June 1965/68.	91	93
Ontario:			
2¾	Nov. 1965/69.	92½	94½
4	June 1962 ..	▪107	109
4½	Jan. 1962 ..	♦110	112
2¾	July 1967/76.	91	93
3	Nov. 1963/65.	97	98½
5	May 1959 ..	▪109	111
Ont. Hydro Commission:			
4	Aug. 1957 ..	▪103	105
2¾	Oct. 1965/68.	93	95
3	Dec. 1963/65.	97	99
3	Nov. 1967/69.	95½	97½
Prince Edward Island:			
3	Oct. 1965 ...	89½	91
Quebec:			
3¼	Mar. 1954/59.	100	101
3¾	Feb. 1952/55.	100	100¾
4¼	Aug. 1958 ...	100½	102½
4¼	Jan. 1963 ...	102	104
3	Sept. 1962/64.	97	98½
Quebec Hydro Commission:			
3	Feb. 1969/73.	95	97
3	Dec. 1958/60.	99	100½
Saskatchewan:			
4	Nov. 1955/60.	100	101½
5	Aug. 1958 ...	105	110
4½	Mar 1960 ..	♦107	109
5	Dec. 1959 ..	♦109	111
3	Mar 1963 ...	96	98
3¼	Nov. 1960/62.	97½	99
3¾	Oct 1962/65.	100	102
Newfoundland:			
4¼	July 1964 ...	104	106

▪Payable Can., N.Y. or £.
♦Payable Can. or N.Y.
†Callable on or after Sept. 15, 1966.

Significant Investors' Index Numbers

No. of Securities	Mach. and equip 11	Pulp and paper 9	Milling 3	Oils 5	Textiles and clothing 10	Food and allied prod. 14	Beverages 10	Bldg. mater. 16	Power and traction 9	Banks 8	Total utilities 13	Total co's 101
***1935 to date:**												
High	476.6	697.9	135.2	178.6	410.5	141.1	490.4	327.9	155.9	213.0	176.9	186.2
Low	69.7	51.6	61.2	41.2	78.4	79.5	79.3	66.7	60.2	60.0	62.5	61.1
1954 **Monthly Figures:**												
Jan.	395.3	562.6	129.3	126.1	168.8	122.9	434.5	283.6	131.5	185.5	149.1	157.4
Feb.	418.4	589.4	129.9	136.3	158.4	123.6	447.9	286.8	134.0	189.6	151.9	163.2
Mar.	432.8	596.4	131.1	136.4	166.3	123.8	440.0	285.2	137.2	192.5	153.3	165.0
Apr.	458.8	628.5	133.9	145.4	163.1	124.6	453.6	298.6	145.0	195.4	159.5	173.6
1954 **Weekly Figures:**												
May 6 ..	475.0	672.2	137.3	146.3	152.6	130.7	469.9	320.8	155.9	198.8	163.2	177.5
May 13 ..	474.2	669.8	135.5	146.4	158.8	131.3	473.8	319.6	151.6	201.7	161.7	177.8
May 20 ..	471.7	685.9	137.7	148.9	153.0	133.2	480.5	325.9	151.9	205.5	162.4	180.6
May 27 ..	475.8	691.3	140.0	148.8	148.2	136.6	481.2	325.1	151.2	210.2	162.4	182.0
June 3 ..	476.6	697.9	135.8	146.8	151.3	141.1	490.4	327.9	155.9	213.0	168.4	184.0
June 10 ..	460.3	677.5	135.5	140.9	149.8	137.4	468.1	319.5	150.4	211.1	166.1	178.7

*High and low for year from 1935 to date inclusive are based on weekly figures issued by the Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indus.	20 Golds	15 B.M.	15 W.O.
June 14	341.35	73.45	148.82	95.05
June 11	342.25	73.40	148.96	95.23
June 10	341.35	73.86	149.20	95.35
June 9	339.73	73.57	149.19	94.41
June 8	341.23	73.21	149.31	94.39
Month Ago .	348.29	73.26	148.93	96.49
Year Ago ..	297.64	75.53	148.99	104.90
1954 High ..	350.00	75.15	152.30	102.11
1954 Low ...	311.85	67.74	136.96	86.71

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Com.	10 Pprs.	15 Golds
June 14 ..	107.5	203.5	171.5	909.48	57.12
June 11 ..	106.7	202.6	170.0	918.51	56.47
June 10 ..	106.7	203.2	171.0	910.68	56.09
June 9 ...	106.6	201.2	169.7	909.48	56.48
June 8 ...	106.8	204.2	171.8	912.37	57.12
Mon. Ago	106.3	205.4	172.3	915.82	57.20
Year Ago	93.8	183.5	153.7	656.45	57.16
1954 High	108.3	209.0	175.4	944.69	59.72
1954 Low.	92.4	182.0	153.4	767.09	48.69

Dow-Jones Closing Stock Averages

	30 Indus.	20 Rails	15 Util.	65 Stocks
June 14	322.65	108.61	57.48	120.65
June 11	322.09	108.61	57.59	120.69
June 10	320.12	107.27	57.36	119.79
June 9	319.27	106.66	57.13	119.35
June 8	321.00	106.51	57.39	119.75
Month Ago .	323.33	108.76	57.89	121.09
Year Ago ..	263.87	100.81	48.44	103.02
1954 High ...	328.67	110.60	58.17	122.75
1954 Low ...	279.87	94.84	52.22	106.03

Unlisted Stocks

(Compiled by Intercity Securities Corporation Limited, Toronto)
June 14, 1954

	Bid	Ask
Algoma Cent. & H.B. Rly.	11.50	12.50
Do. pfd.	1.25	....
Allens Toronto units	43.00	....
Anglo Can. Telephone A	12.00	12.75
Ash Temple Limited	2.25	2.75
Bowes Ltd. 1% pfd.	.65	.75
Brinton Peterboro Carpet	48.00	52.00
B. C. Sugar	95.50	96.50
British Mtge. & Trust	206.00	212.00
Brockville Tr. & Savings	63.00	....
Do. rights	.45	.65
Can. Crushed Stone 6% pfd.	92.50	....
Can. Consol Grain com.	5.00	15.00
Do. units	85.00	....
Can. Delhi Pete	12.85	13.35
Can. Foreign Securities	10.75	12.00
Can. Industries 1954	19.50	20.50
Can. Refractories pfd.	94.00	....
Can. West Nat. Gas pfd.	18.00	....
Capital Wire Cloth com.	14.00	....
Carlton Club	90.00	97.00
Coleman Collieries A	.12	....
Do. B	.12	....
Colonial Steamships com.	200.00	225.00
Do. pfd.	....	72.00
Commercial Life 10% paid	11.50	13.00
Concourse Bldg. V.T.	40.00	....
Cons. Toronto Land warr.'s	.25	....
Debenture & Secs. 6% pfd.	90.00	93.50
Dennisteel Corp.	1.75	....
Do. 7% pfd.	4.50	....
Detroit Internat. Bridge	17.50	18.50
Dom. General Ins.	310.00	....
Dom. Manufacturers	1.25	....
Do. pfd	90.00	....
Dom. Royalty Corp.	.35	.38
Dover Industries	9.00	9.50
Dupont Can. new	25.00	26.00
Empire Acceptance	6.25	7.50
Essex Packers com.	1.50	....
Do. pfd	30.50	....
Galt Brass	38.50	....
Goderich Elevator & Trans.	21.00	21.75
Gr. Britain & Can. Inv. pfd.	107.00	110.00
Great West Life Assur.	103.00	106.00
Guarantee N. Amer. ful. p.	380.00	410.00
Do. 20% paid	75.00	....
Halifax Insurance	12.75	14.00
Heaps Waterous com.	2.00	2.50
Highland Dairy pfd.	41.00	....
Homewood Sanitarium	90.00	95.00
Hudson's Bay Co.	16.75	17.25
Indust. Mortgage & Trust	64.00	70.00
Ingersoll Mach. Tool B	5.00	....
Ingram & Bell pfd.	104.00	....
Internat. Holdings com.	13.75	14.50
Jenkins Bros. com	31.00	34.50
Ladies Golf & Tennis	15.00	....
Lambton Golf	165.00	....
Lambton Loan Sarnia	75.00	80.00
Lawson & Jones 1% pfd.	.65	....
Lond. Can. Inv. $3 pfd.	45.00	47.50
Do. A	36.00	39.00
Maxwell Ltd. $6.00 pfd.	79.00	....
Medical Arts Bldg., Toronto	43.00	....
Mississauga Golf	15.00	20.00
Monarch Life 40% paid	154.00	158.00

	Bid	Ask
Nat. Sewer Pipe new pfd. (with bonus common)	12.00	13.00
New Brunswick Tele.	12.50	13.50
Niagara Lower Arch Bridge	64.00	....
Northern Tele.	1.55	1.70
Oakville Golf Club	20.00	30.00
Oakville Wood 6% pfd.	85.00	....
Para. Oshawa Theatres com.	12.50	....
Park Lawn Cemetery	1.35	1.65
Provincial Gas Co.	70.00	....
Prudential Trust	16.00	....
Reliance Pet. A and B	20.50	....
Ritchie Cut Stone pfd.	13.00	....
Robin Jones Whitman pfd.	20.00	26.00
Royal Oak Dairy B	2.75	....
Sawyer Massey com.	3.50	....
Sec. Stand Royalties pfd.	.03¼	.04¼
Sincennes McNaught. Lines	2.50	3.00
Skyway Drive-In Theatres	1.00	1.75
Sovereign Life 25% paid	64.00	....
Standard Fuel pfd. 4½%	34.50	36.00
Do. com.	3.00	4.00
Stanfields Ltd. A	10.00	11.00
Do. B	9.50	....
Steetley Can. com.	2.50	3.75
Summit Golf	15.00	....
Sun Life Assce.	164.00	168.00
Toronto Brick	22.00	25.00
Toronto Housing	8.50	....
Toronto and London Invest.	2.35	2.60
United Steel 6% pfd.	25.75	26.75
Universal Cooler 6% pfd.	81.00	....
Waterloo Manufacturing	8.50	9.00
Western Assurance com.	104.00	....
York Downs Golf non free	75.00	....
York Trading	18.50	20.50

By Kippen & Co. Inc., Montreal

	Bid	Ask
Algoma Cent. & H. B. Rly. com.	12.00	12.75
Beauharnois Lt., H. & Pwr.	30.00	....
Calgary Power	20.00	....
Consolidated Theatres A	7.00	8.00
Do. B	3.50	4.25
Cuban Canadian Sugar	10.00	....
Dupuis Freres pfd.	20.50	22.50
Foreign Power pfd.	32.00	33.50
Guarantee Co. of N. Amer.	380.00	....
Guardian Realty	1.00	....
Hart Battery com.	8.00	10.00
Hudson's Bay Co. (new)	16.50	17.25
London Canadian A	34.00	....
Maritime Telegraph & Tel.	17.50	....
Montreal City & District Savings Bank	44.50	46.00
New Brunswick Tel.	12.50	....
S. Nord Chemical Co.	.70	....
Nova Scotia Lt. & Pwr.	26.00	28.00
Ont & Que. Rly. 5% Cap. Stock	118.00	....
Provincial Bk. of Canada	17.00	17.75
Prudential Trust Co.	15.00	18.00
Sherbrooke Trust Co.	140.00	....
Strategic Materials	....	5.00
Sun Life Assurance Co.	161.00	165.00

Company Meetings

Date	Company	Place
June 17	Baska Ur. M.	Toronto
June 18	Candn. Cottons	Montreal
June 18	Parbec M.	Toronto
June 19	Candn. Pipe Line	Vancouver
June 21	Candn. Eagle Oil	Toronto
June 21	Candn. Vickers	Montreal
June 22	Headway R.L.G.M.	Toronto
June 22	Mercury Oils	Calgary
June 22	Thrift Stores	Outremont, P.Q.
June 23	Dominion Textile	Montreal
June 23	Little L.L.G.M.	Toronto
June 24	Hasaga G.M.	Toronto
June 24	Int. Power	Montreal
June 24	Italo-Argent. Elec.	Buenos Aires, Arg.
June 24	Manitoba Sug.	Winnipeg
June 24	Pickle Crow M.	Toronto
June 24	Shawkey '45 M.	Toronto
June 24	Starrat Ol. G.M.	Toronto
June 25	East Koot. Pwr.	Montreal
June 25	Lavalie G.M.	Toronto
June 25	Louvicourt G.C.	Montreal
June 28	Candn. Atl. Oil	Calgary
June 28	McIvor Drill.	Calgary
June 29	Brazilian Tr.	Toronto
June 29	Mexican Lt. & Pwr.	Toronto
June 29	Union Gas	Chatham
June 30	Candn. Williston	Calgary
June 30	Gridoil Freehold	Calgary
July 8	Paton Mfg. Co.	Montreal
July 8	Wabasso Cot.	Three Rivers, P.Q.
July 14	S. A. Gold & Plat.	New York

Oil Stocks (Continued)

.32	.10	.....	....	Edoran	3,550	.11	.11	.10	.11
.07	.03½	.....	....	Emjay	3,000	.04½	.05½	.04½	.05½
1.20	.40	.....	....	Emp. Oil	8,800	.55	.50½	.44	.46
2.10	1.49	.....	....	Fargo	6,300	1.60	1.53	1.49	1.51
5.05	3.75	.....	....	Federated P	3,714	4.00	4.25	3.75	3.80
.40	.20	.....	....	Fortune	2,500	.36	.35	.34	.35
.06½	.03	.....	....	Freehold	6,500	.05	.06	.05	.05½
.78	.48	.....	....	Gas Expl.	9,500	.60	.62	.60	.60
.95	.40	.....	....	Gaspe	1,400	.47	.60	.50	.55
7.00	4.90	.20	3.3	Gen. Pet. A	800	5.80	6.00	5.65	6.00
18.12½	7.05	.....	....	Gt. Plains	1,410	17.87½	17.87½	16.37½	17.00
1.42	1.00	.....	....	Gt Sweet G	36,213	1.16	1.18	1.13	1.20
7.20	5.65	.....	....	Gridoil	2,350	6.80	6.70	6.35	6.50
.12	.04	.....	....	Hargal	16,300	.08½	.09½	.08	.08
.53	.26	.....	....	Henderson	1,000	.30½	.32	.30½	.30½
.30	.10	.....	....	High C'rt	11,100	.18	.18	.17	.17
.18	.10	.....	....	High Sarcee	1,000	.11	.11	.11	.11
10.25	8.00	.....	....	Home	4,665	8.75	8.65	8.00	8.25
8.20	6.50	.....	....	Husky	1,705	6.55	6.70	6.50	6.70
.10½	.06½	.....	....	Hy-Charger	4,900	.06½	.06½	.06½	.06½
3.90	1.40	.....	....	Jasper	15,780	1.69	1.78	1.60	1.78
.26	.13	.....	....	Jet Oils	9,300	.15½	.15½	.13	.13
.23½	.15	.....	....	Jump P'd.	1,000	.15	.15	.15	.15
2.12	1.14	.....	....	Jupiter	3,000	1.75	1.72	1.69	1.70
1.20	.23	.....	....	Keno	30,950	.45	.50	.42	.47
1.80	1.00	.....	....	Kroy	5,800	1.30	1.34	1.21	1.29
.35½	.21	.....	....	Leduc Cal.	900	.24	.24	.23	.24
4.15	.93	.....	....	Liberal	262,011	2.40	3.00	1.90	2.22
.18	.09	.....	....	Long Is. P.	6,000	.09½	.10	.09	.10
.52	.35	.....	....	Marigold	4,100	.38	.41	.38	.36
.37	.22	.....	....	Marwayne	5,000	.26	.26½	.25	.26½
.20	.12	.....	....	McD Segur	2,000	.15	.14	.14	.14
11.25	7.50	*.25	....	McIvor Dr.	100	7.75	7.75	7.75	7.75
.14	.08	.....	....	Mercury	2,500	.08	.10	.09	.09½
.14½	.07	.....	....	Merland	2,000	.08	.07½	.07	.07½
8.00	5.85	.....	....	Merrill Pet.	9,767	6.75	6.80	6.35	6.60
.87	.45	.....	....	Midcon	3,141	.60	.60	.51	.51
.45	.23	.....	....	Mill City	2,800	.27	.26½	.25	.25
.23	.10	.....	....	Montoco	1,000	.14	.12	.12	.12
.40½	.25	.....	....	Naco	2,000	.26	.26	.25	.26
1.73	1.40	.....	....	Nat. Pet.	5,100	1.49	1.50	1.40	1.50
1.58	1.20	.....	....	N. Bristol	4,950	1.30	1.32	1.25	1.30
2.70	1.77	.....	....	N. British	[illegible]	2.53	2.53	2.30	2.44
1.29	.60	.....	....	N. Concord	[illegible]	.70	.69	.60	.69
.76	.42	.....	....	N. Coast	[illegible]	.46	.48	.44	.45
.24½	.15	.....	....	N. Devon	[illegible]	.18	.18	.16	.17½
.07½	.04½	.....	....	N. Pacalta	[illegible]	.05	.05	.04½	.04½
.08½	.04½	.....	....	New Ranch	[illegible]	.05½	.05½	.05½	.05½
4.25	2.00	.....	....	N. Superior	7,116	3.20	3.20	2.85	2.85
3.15	1.78	.....	....	North Can.	20,463	3.00	3.15	2.70	3.15
.05	.02½	.....	....	N. Cont.	7,000	.03	.03	.02½	.03
.42½	.28	.....	....	Northland	500	.29	.29	.29	.29
2.00	1.23	.....	....	Nucco	1,000	1.99	2.00	1.98	2.00
.11	.04	.....	....	Oil Select.	17,500	.04½	.04½	.04½	.04½
1.96	1.50	.....	....	Okalta	7,400	1.60	1.60	1.50	1.53
11.75	8.10	.....	....	Pac. Pete	7,185	11.00	10.87½	10.00	10.75
.41	.31½	.....	....	Pan West.	10,900	.37	.38	.37	.37
5.00	3.00	*.15	....	Parker Dr.	550	3.00	3.00	3.00	3.00
1.00	.60	.....	....	Pathfinder	1,500	.75	.80	.75	.75
8.40	5.60	.....	....	Peace River	7,165	7.15	7.05	6.35	6.60
1.19	.75	.....	....	Peruvian	12,300	.85	.88	.75½	.88
[illegible]	.39	.....	....	Petrol O.	34,000	.57	.59	.50	.54
1.95	1.25	.....	....	Phillips Oil	800	1.30	1.45	1.30	1.45
1.36	.90	.....	....	Ponder	14,500	.99	1.05	1.00	1.00
1.67	1.01	.....	....	Pontiac	33,975	1.67	1.67	1.61	1.67
.40	.18½	.....	....	Poplar	8,500	.22	.20	.20	.20
3.00	1.55	.....	....	Prairie	4,000	1.80	2.20	1.75	1.75
.65	.23	.....	....	Q. Oil Dev.	9,900	.35	.28	.23	.25
.37	.30	.....	....	Quinalta	1,450	.34	.36	.32	.35
.06½	.02½	.....	....	Realty	9,900	.03	.04	.03½	.03½
1.16	.77	.....	....	Red. Util.	5,500	.82	.80	.80	.80
.12	.08	.....	....	Reef. Pet.	3,000	.10	.10	.10	.10
.14	.06	.....	....	Renfrew	1,000	.07	.07	.07	.07
.74	.42	.....	....	Rio Prado	23,151	.67	.68	.63	.65
.21	.10	.....	....	Roxana	24,000	.12	.14	.11	.14
.14½	.08	.....	....	Royal Can.	4,100	.09	.09	.08	.08
14.50	11.50	.26	2.2	Royalite	969	12.00	12.25	11.75	12.00
.17	.08	.....	....	Rundle	6,550	.10	.09	.08	.08½
.18½	.10½	.....	....	Sage	500	.11½	.11½	.11½	.11½
2.28	1.50	.....	....	Sapphire	94,370	1.99	2.28	1.93	2.25
1.45	1.12	.....	....	Scurry R.	23,586	1.33	1.36	1.15	1.20
2.20	1.55	.....	....	Security	10,200	2.01	2.05	1.90	2.00
.49	.14	.....	....	Select Oils	4,500	.31	.32	.30	.31½
.10½	.06½	.....	....	Share Oils	2,500	.09½	.10	.10	.10
.80	.40	.....	....	Souris Val.	2,350	.40	.52	.50	.52
.25	.18	.....	....	Spooner	1,400	.20	.21	.19	.21
.98	.65	.....	....	Stanwell	2,387	.65	.65	.65	.65
.39	.27	.....	....	Sunset	400	.35	.35	.35	.35
1.68	1.20	.....	....	Texas Cal.	600	1.27	1.25	1.25	1.25
2.55	1.85	.....	....	Trans. Emp	9,183	2.05	2.05	1.95	2.03
.65	.43	.....	....	Trans-Era	16,450	.49	.50	.46	.46
.07	.04½	.....	....	Transfield	29,000	.06½	.07	.06	.06½
.14	.08	.....	....	Trend	1,000	.11	.10	.09	.09
3.50	2.85	.....	....	Triad	39,381	3.20	3.20	3.00	3.10
.95	.50	.....	....	Trican Pet.	2,200	.60	.59	.55	.55
.84	.62	.....	....	Tri-Tor	11,441	.68	.67	.65	.67
.10½	.10	.....	....	Tri-Zone	3,000	.10½	.10½	.10½	.10½
1.48	.72	.....	....	United Oils	26,300	1.14	1.15	1.02	1.02
.21	.15	.....	....	Vanalta	2,500	.19	.20	.19	.19
.47	.26	.....	....	Van Tor	6,700	.38	.39½	.36	.36
.78	.55	.....	....	W'Burne	5,500	.75	.73	.70	.73
.22	.13	.....	....	West. Terr.	1,500	.15	.15	.13	.13
.19½	.12	.....	....	W. Ashley	80,125	.16	.17	.13½	.16
5.80	4.30	.....	....	W. L'Holds	1,850	4.75	4.75	4.30	4.50
2.00	1.70	.....	....	W. Maygill	260	1.90	2.00	1.75	1.75
.15	.09	.....	....	W. Warner	28,000	.10	.10	.09½	.09½
.80	.50	.....	....	Wilrich	24,300	.52	.52½	.50	.51
.10	.05½	.....	....	Y'ke Can.	10,227	.06½	.06½	.05½	.06½
.96	.54	.....	....	Y'ke Prin.	11,600	.79	.80	.75	.77
.18	.10½	.....	....	York Oils	3,100	.11½	.13	.11	.11

* U. S. Funds. ‡ Div. Deferred. ** Initial. * Paid or payable in 1954.
† Paid in 1953.

Volume of Stock Sales

	Montreal	Toronto	Calgary	Vancouver	New York
June 14 ..	272,500	1,843,000	128,270	......	1,860,000
June 11 ..	627,800	1,857,000	162,564	82,869	2,020,000
June 10 ..	332,600	1,460,000	204,445	105,827	1,960,000
June 9 ..	335,200	1,833,000	195,579	148,641	2,810,000
June 8 ..	377,900	2,097,000	156,642	100,249	3,120,000

Dividends Declared

	This payment $	Date payable	Date of record *
Abitibi Pwr. & P.	.30	July 1	June 1
Do. $1.50 pf.	.37½	July 1	June 1
Do.	1.12½	July 30	June 25
Acadia-Atlan. Sug.	.12½	July 2	June 10
Do. Cl. A	.30	July 2	June 10
Do. 5% pf.	1.25	June 15	May 20
Admiral Corp.	†.25	June 30	June 15
Alum. of C. 4% pf.	.25	Sep. 1	Aug. 6
Do. 5¼% pf.	1.32	Sep. 1	Aug. 6
Am. Cyan	†.50	June 25	June 1
Do. 3½% B pf.	†.87½	July 1	June 1
Anglo-Cndn. P.O.P.	.50	July 7	June 15
Do. pfd.	.70	July 20	June 30
Anglo-Huronian	.25	July 23	July 9
Anglo-Nfld.	.15	July 2	June 4
Asbestos Corp.	.25	June 30	June 9
Ashdown Hard. A	.15	July 1	June 10
Do. B	.25	July 1	June 10
Assoc. Tel. & Tel.	†.45	June 10	May 21
Do. A	†1.00	July 1	June 1
At. Wholesalers A & B	10+‡.10	July 2	June 15
Bk. of Nova Scotia	.40	Aug. 2	June 30
Barber-Ellis	.80	June 15	May 31
Do. 7% pf.	1.75	July 15	June 30
Beatty Bros.	.10	July 2	June 15
Beaver Lumber A	.25	July 2	Jun. 10
Do. pfd.	.35	July 2	June 10
Beld.-Cort.	.15	July 2	May 31
Do. 7% pf.	17½	July 2	May 31
Belgium Sts. 5% pf.	.25	July 15	June 30
Bell Tele.	.50	July 15	June 15
Biltmore Hats	.10	July 15	June 17
Do. A	.25	July 15	June 17
Bird Construction	.30	June 30	June 15
Do.	.50	Sept. 30	Sept. 15
Do.	.50	Dec. 31	Dec. 15
Brazilian T. 6% pfd.	1.50	July 2	June 15
Br Am. Oil	.21¼	July 2	June 4
B. C. Elec. 4% pf.	1.00	July 2	June 15
Do. 4¾% pf.	1.19	July 2	June 15
Do. 5% pf.	.63	July 2	June 15
B. C. Forest Prod.	.10	Aug. 3	June 30
B. C. Power	.25	July 15	June 30
B. C. Tel.	.50	July 1	June 16
T. G. Bright 5% pf.	28¾	June 30	June 15
Building Prod.	.45	July 2	June 11
Burlington Steel	.25	July 2	June 10
Burns & Co. A	.50	July 29	July 8
Do.	.50	Oct. 29	Oct. 8
Do. B	.50	July 29	July 8
Do.	.50	Oct. 29	Oct. 8
Butterfly H. 7% pf.	3.50	July 30	June 30
Calgary Pwr. 5% pf.	1.25	July 2	June 4
Campbell Red. L. M.	.07½	July 28	June 28
Can. Bread	.10	July 2	June 16
Do. 5% B pf.	.62½	July 2	June 16
Can. Cement pf.	.32½	June 21	May 20
Can. Flooring B	.15	June 30	June 15
Can. Life	.75	July 2	June 15
Can. Iron Fdries.	.30	July 2	June 10
Can Mach.	.25	June 30	June 14
Can. Nor. Pwr.	.15	July 26	June 18
Can. Starch	.75	June 30	June 15
Can Steam 5% pf.	▪.31¼	July 2	June 8
Can. Perm. Mtge.	.65	July 2	June 15
Cdn. Bk. of Com'ce	.30	Aug. 2	June 30
Cdn. Breweries	.25	July 2	May 31
Cdn Bronze	.31	Aug. 2	July 9
Do. 5% pf.	1.25	Aug. 2	July 9
Cdn. Canners	.50	July 2	June 10
Candn. Cel.	.15	June 30	June 4
Do $1 pf.	.25	June 30	June 4
Do $1 75 pf.	.43¾	June 30	June 4
Cdn. Gen. Elec.	1.00	July 1	June 15
Cdn. Gen. Sec. A & B	10.00	July 2	June 15
Cdn. Ind.	.20	June 30	June 15
Do pfd.	1.75	June 30	June 15
Cdn. Ice Mach. A	20	July 2	June 15
Cdn. Ing.-Rand	1.00	June 29	June 15
Cdn Oil Co's 4% pf.	1.00	July 2	June 1
Do. 5% pf.	1.25	July 2	June 1
Do. 8% pf.	2.00	July 2	June 1
Do. com.	12½	Aug. 14	July 14
Cdn. Refractories 4½% pf.	1.12½	July 15	June 29
Do.	1.12½	Oct. 15	Sep. 29
Do.	1.12½	Jan. 15	Dec. 30
Cdn. Silk Prod. A	.25	June 30	June 1
Cdn. Vickers	.37½	July 15	June 30
Cdn. Westinghouse	.50	July 2	June 15
Cdn. Wireb'nd B. A	.37½	July 1	June 10
Casmont Ind. pf.	1.75	July 2	June 14
Celanese Corp.	†.12½	June 24	June 7
Do. 4½% A pf.	†1.12½	July 1	June 7
Do. 7% 2nd pf.	†1.75	July 1	June 7
Celtic Knit	.50	July 12	June 14
Cent. Can. Invest.	.10	July 2	June 21
Do. 5% pf.	2.50	July 2	June 21
Chartered Trust	.30	July 2	June 15
Chateau-Gai W.	.50	June 16	June 7
C'bined Ent 5% pf.	1.25	July 15	June 29
Com'wealth Int.	.05	July 15	June 30
Conduits Nat.	.15	Aug. 9	July 29
Confederation Life	.37	Sep. 15	Sep. 10
Do.	.38	Dec. 15	Dec. 10
Cons. Discovery Yel	.05	Dec. 15	Nov. 30
Cons. Div. Stand. Sec pf.	.75	June 30	May 28
Cons. Min. & S.	.40+‡.20	July 15	June 18
Cons. Paper	.37½	July 23	June 11
Consumers Gas	.20	July 2	June 15
Cont. Can. $3.75 pf.	†.93¾	July 1	June 15
Do. $4.25 pf.	†1.06¼	July 1	June 15
Cont. Life Ins.	1.20	July 15	July 12
Corp. Invest. A & B	.06¼	July 15	June 15
Crown Cork	.50	Aug. 16	July 15
R. L. Crain	.15	June 30	June 11
Do.	.15	Sep. 30	Sep. 10
Do. 1% pf.	.00½	June 30	June 10
Crown Trust	1.25	July 2	June 18
Crown Zellerbach	†.50	July 1	June 11
David & Frere A	.75	June 30	June 15
Dome Mines	.17½	July 30	June 30
Dom. Bank	.30	Aug. 2	June 30
Dom. Corset	.20	July 1	June 18
Dom. F'dries	.15	July 2	June 10
Do 4½% pf.	1.12½	July 15	June 24
Dom. Glass	.20	July 15	June 28
Do. pfd.	.17½	July 15	June 28
Dom. Mag Ltd.	.50	Jun. 30	Jun. 16
Dom.-Scot Invest.	.25	June 30	June 15
Dom. Square	1.00	July 15	June 15
Dom. Steel & Coal	.25	July 28	July 17
Dom. Stores	.20	Sep. 15	Aug. 17
Dom. Tar & Chem.	.10	Aug. 2	July 2
Do.	.10	Nov. 1	Oct. 1
Do. 7% pf.	.25	July 2	June 1
Do. 7% pf.	.25	Oct. 1	Sep. 1
Dom Tar & Chem.	.10	Aug. 2	July 2
Do. $1 pf.	.25	July 2	June 1
Dom. Textile	.10	July 2	June 4
Do 7% pf.	1.75	July 15	June 15
Donnacona Pap.	.25	July 31	June 30
Dover Ind.	•stk div.	July 15	July 10
Easy W. Mach.	.05+‡.05	July 2	June 15
Economic Inv Tr.	.25	June 30	June 15
Empire Accept	.15	Dec. 1	Nov. 15
Erie Floor A	.30	June 30	June 15
T. H. Estabrooks pf.	.26	July 15	June 15
Famous Players	.37½	June 25	June 10
Fanny Farmer	†.37½	June 30	June 15
Fibre Prod 5% pf.	.25	June 30	June 15
Fittings Ltd A	.30	July 1	June 4
Foundation Co.	.15	July 30	June 30
Fraser Cos.	.25	July 19	June 30
Do. 4¾% pfd.	1.19	July 1	June 11
Gatineau Pwr.	.30	July 1	June 1
Do. 5% pf	1.25	July 1	June 1
Do 5½% pf.	1.38	July 1	June 1
Gen. Bakeries	.10	July 15	June 25
Gen. Dynamics	†.87½	June 10	May 27
Gen. Electric	▪†.40	Aug. 2	June 25
Gen Motors Corp.	†1.00	June 10	May 13
Gen. Pet. ord & Cl. A	.10	July 5	June 15
Giant Y'knife G M.	.20	July 15	June 15
Goderich Elev.	.50+‡.25	July 2	June 15
Goodyear Tire	1.00	June 30	June 10
Do. 4% pf.	.50	July 31	July 9
Grafton & Co. A	.25	Sep. 15	Aug. 25
Do.	.25	Dec. 15	Nov. 25
Grand & Toy	.15+‡.10	June 30	June 18
Gt. Lakes Pap	.40	June 30	June 15
Do A pf.	.62½	June 30	June 15
Do. B pf.	.30	June 30	June 15
G. Lakes Pw. 5% pf.	.31¼	June 30	June 1
Gt. West Saddlery	.50	June 30	June 15
Greening Wire	.05	July 2	June 15
Hahn Brass	.25	July 1	June 10
Do. A	.20	July 1	June 10

Dividends Declared (cont'd)

	This payment $	Date payable	Date of record *
Harding Carp.	.20	July 2	June 15
Hendershot Pap.	.25	July 2	June 18
Hinde & Dauche P.	.35	June 25	May 31
F. W. Horner A	.12½	July 2	June 2
Hubbard Felt A	.75	July 1	June 7
Hughes-Owens A	.20	July 15	June 15
Do. B	.10	July 15	June 15
Do. pfd.	.40	July 15	June 15
Huron & E. M. Cp.	1½%	July 2	June 15
Hydro-Elec. sec. pf.	.25	Aug. 2	June 30
Imp. Bank	.30	Aug. 2	June 30
Imp. Life	.37½	July 1	June 21
Do.	.37½	Oct. 1	Sep. 21
Imp. Tobacco	.10	June 30	May 31
Ind. Accept.	.62½	June 30	June 1
Do. 5% pf. ($100 p.)	1.25	June 30	June 1
Do. 4¼% pf. ($100 p.)	1.06¼	June 30	June 1
Do. 5% pf. ($30 p.)	.37½	June 30	June 1
Do. 5% pf. ($40 p.)	.50	June 30	June 1
Ing. Mach. & Tool A.	12½	July 2	June 15
Inter-City Bak.	.20	June 30	June 16
Int. Bronze 6% pf.	.37½	July 15	June 15
Int. Metal Ind. A	.40	July 2	June 15
Do. 4½% pf.	1.12½	July 2	June 15
Int. Milling 4% pf.	†1.00	July 15	June 30
Int. Nickel	†.50	June 21	May 25
Do.	†1.75	Aug. 2	July 6
Int Power	.80	July 15	June 15
Do. 5½% pf.	2.75	June 28	June 4
Int. Utilities	†.35	Sep. 1	Aug. 11
Do. $1.40 pf.	†.35	Aug. 2	July 14
Do. $1.40 pf.	†.35	Nov. 1	Oct. 13
Invest Found.	.75	Oct. 15	Sep. 15
Do 6% pfd.	.75	July 15	June 15
Do 6% pfd.	.75	Oct. 15	June 15
Jam. Pub. Serv. Ltd.	.25	July 2	May 31
Jam. Pub. S. Co. 7% pf.	1.75	July 2	May 31
Journal Pub.	.20	July 15	June 26
Kelvinator	.37½	June 19	June 4
Kerr-Addison G. M.	.20	June 25	May 28
John Labatt	.25	July 2	June 15
La Luz M.	.05	June 24	June 10
Alf. Lambert A&B	.15	June 30	June 15
Do	.15	Sep. 30	Sep. 15
Do.	.15	Dec. 31	Dec. 15
Lower St. Law. Pwr. 5% pf.	.25	July 1	June 1
M. Loew's Theat.	1.00	June 30	June 11
W. M. Lowney Co.	.25	July 15	June 15
Maclaren P. & P.	.50	June 28	May 29
MacMillan & B. A	.12½	June 30	June 10
Do. B	.20	June 30	June 10
Madsen R. Lake	.05	June 17	May 17
Mailman Cp. 5% pf.	1.25	July 31	July 14
Do. $1 prior.	.25	June 30	June 16
Maple L. G.	.50+‡.30	July 15	June 30
Maple L. M. 5% pf.	1.25	July 1	June 16
Maxwell Ltd.	.06¼	July 1	June 18
Do. $6 pf.	1.50	July 1	June 18
L. McBrine pf.	.50	Jul. 1	Jun. 16
McColl-Front. pf.	1.00	July 20	June 30
McLennan, McFeely & Pr pf.	1.12½	June 30	June 20
Melchers D 6% pf.	.30	June 30	May 31
Mersey Pap. 5% pf.	1.25	July 2	June 19
Mining Corp.	.50	June 30	June 4
J. S. Mitchell	.31¼	July 2	June 15
Robt. Mitchell	††.75	Sep. 15	Aug. 14
Do	††.75	Dec. 15	Nov. 15
Mod. Containers A	.25	July 2	June 18
Molson's Brew. A	.20	June 25	June 4
Do. B	.20	June 25	June 4
Mon. Knit. 4½% pf.	1.12½	July 2	June 11
Mtl. City & Dist. Sav. Bank	.40	July 2	May 31
Mtl. Locomotive	.20	July 2	June 7
Mtl. Refrig.	1.00	July 2	June 15
Moore Corp.	†.25	July 2	June 4
Do. com.	†.25	Oct. 1	Sep. 3
Do. 7% A & B	†1.75	July 2	June 4
Do. 7% A & B	†1.75	Oct. 1	Sep. 3
Do. 4% pf.	.25	July 2	June 4
Do. 4% pf.	.25	Oct. 1	Sep. 3
H. Morgan	▪.18¾	Sep. 1	Jul. 31
H. Morgan	▪.18¾	Sep. 1	July 31
Mor.-Screw 4% pf.	1.00	July 1	June 15
Nat. Hose. A	.05	July 2	June 4
Do.	.05	Oct. 1	Sep. 3
Do.	.05	Jan. 3	Dec. 3
Do. B	.17	July 2	June 4
Nat. Lead	†.40	June 30	June 7
Do. 6% pf.	†1.50	Aug. 2	July 12
Nat. Steel Car	.37½	July 15	June 15
Nat. Trust	.25	July 2	June 15
Niagara W.W.	.50	July 2	June 10
Normetal Min.	.05	June 29	June 4
Nor Cdn. Mort. pf.	1.50	July 2	June 15
N.S. Lt. & Pwr.	.30	July 2	June 4
Ocean Fish 5¼% pf.	13¼	July 2	June 16
Office Spec.	.10	June 30	June 22
Ogilvie Flour	.25	July 2	June 1
Ont. Loan & Deb.	.25	July 2	June 15
Ont. Steel Pro.	.25	Aug. 16	July 15
Do. 7% pf.	1.75	Aug. 16	July 15
Page-Hersey Tubes	.75	July 2	June 16
Phillips Elec.	.10	June 30	June 23
Pickle Crow	.10	June 30	May 31
Pioneer G.M.	12½	July 31	June 30
Placer Dev.	.75	June 18	May 27
Power Corp.	.50	June 30	June 7
Do. 6% 1st pf.	1.50	July 15	June 18
Do. 6% 2nd pf.	.75	July 15	June 18
Premier Tr.	1.00	July 2	June 18
Price Bros.	1.00	Aug. 2	July 14
Do. 4% pf.	2.00	July 1	June 7
Que. Tel.	.25	July 1	June 1
Do 5% pf.	.25	July 1	June 1
Quemont Mining	.75	June 29	June 4
R. & M. Bearings A	.28	July 2	June 15
Renold-Cov. A	.28	July 1	June 15
Do.	.27	Oct. 1	Sep. 15
P. L. Robertson	.10	July 1	June 18
Do. 5% pf.	.50	July 1	June 18
Do. 6% pf.	.30	July 1	June 18
Do. $1 Pt. pf.	.25+‡.26	July 1	June 18
Robinson Little	.20	June 30	June 15
Russell Ind.	.25	June 30	June 11
St. Lawr. Corp.	.50	July 26	July 2
Saguenay P. 4¼% pf.	1.06	July 1	June 11
Shaw W.O.P. 4% ser. A pf.	.50	July 2	June 2
4½% ser B pf.	.56¼	July 2	June 2
Sher.-Williams pfd.	1.75	Jul. 2	Jun. 10
Sher.-Williams	.35	Aug. 2	July 9
Do. pfd.	1.75	July 2	June 10
Sicks' Brew.	.30	June 30	June 7
Silverwood Dair. A	.15	July 2	May 31
Do B	.15	July 2	May 31
Sigma Mines	.20	July 28	June 28
N. Slater	.15	Aug. 2	July 9
Do. pfd.	.53	July 15	July 2
How. Smith Pap.	.25	July 30	June 30
Do pfd	.50	July 30	June 30
Somerville Ltd.	.70	July 1	June 15
Southam Co.	.40	June 28	June 14
S. Can Pwr. 6% pf.	1.50	July 15	June 18
Stand. Brands	†.50	Jun. 15	May 14
Stand. Paving	.37½	July 2	June 16
Stand. Radio A & B	.15	July 9	June 18
Stan. Brock A	.15	Aug. 1	July 10
Do. B	.10	Aug. 1	July 10
Stedman Bros.	.20	July 2	June 15
Sterling Trust	.35	July 2	June 18
Sun Life Ass.	.85	July 1	June 15
Sup. Propane pf.	▪.29	July 1	June 15
Super-Serv. Sts. pf.	.11¼	June 15	June 1
Supertest P. o. & c.	.40	July 15	June 24
Do. 5% pf.	1.25	July 15	June 24
Switson Ind.	.04½	June 30	June 18
Sylvanite G. M.	.04+‡.02	Jul. 2	Apr. 5
G. Tamb'n Ltd.	.25+‡.05	July 2	June 4
Do. 4% pf.	.50	July 2	June 4
Taylor Pear. & C.	.20	July 2	June 15
Thrift Stores	.40	July 2	June 15
Tip Top Tail.	.15	July 1	June 1
Tor. Iron	.25	July 2	June 15
Do. A	.25	July 2	June 15
Tor. Mortgage	1.25+‡.25	July 2	June 15
Tor. Gen. Trusts	.35	July 2	June 10
Traders Fin. 5% pf.	▪.27	July 2	June 8
Do. 4½% pf.	1.12½	July 2	June 8
Do. A	.60	July 2	June 8
Do. B	.60	July 2	June 8
Tuckett Tob. 7% pf.	1.75	July 15	June 30
Union Accept. pf.	.15	July 1	June 15
Union Gas	.35	Aug. 2	July 2
Un. Cdn. Shs.	.30	Aug. 3	July 23
U. Fuel In. 6% A pf.	.75	July 2	June 10
Do. 6% B pf.	1.00	July 2	June 10
Do. com.	1.00	July 2	June 10
Un. Keno Hill M.	.10	July 16	June 16
Un. Steel Corp.	.25	June 30	June 15
Ventures Ltd.	.15	July 15	June 25
Viau Ltd.	.50	July 2	June 21
Wabasso Cot.	.15	July 2	June 7
H. Walker-Good.	.75	July 15	June 18
Wat'loo Mf 4½% pf.	.22½	June 30	June 30
Water's Eqp 6% pf.	.60	June 15	June 1
Watson, Jack & Co.	.20	July 2	June 15
West Koot. pfd.	1.75	July 2	June 15
Western Groc. A	.50	July 15	June 15
Do. 7% pf.	.35	July 15	June 15
Geo. Weston	.25	July 2	June 10
Wilsil Ltd.	.30	July 2	June 1
Winpg. Elec. 5% pf.	2.50	June 30	June 1
Wright Hargreaves	.03	July 2	May 25
Yellowknife B'r M.	.04	July 16	June 16

†U. S. funds. ‡Extra.
*The ex-dividend date is usually at least one full business day prior to the record date.
▪Initial.
††Declared on basis of old stk. prior to proposed 3-for-1 stk. split.
•Three (10c par) pf. shs. for ea. sh. held to be red. immed. paid in lieu of 2 q't'rly divds.
§On redemption.

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$19.50	$20.00	$20.66
Hogs	37.79	37.62	33.60
Copper, lb.	.30	.30	.29¾
Sugar, raw, lb.	.0565	.0560	.0585
Coffee, lb.	.88	.89	.55¼
Hides	.15½	.16½	.20
Weekly Commodity Indices			
Dow Jones	179.12	179.60	161.10
U. S. Labor	110.8	111.0	109.7
Monthly Commodity Indices			
Canada (D.B.S.)			
Retail (May)†	115.5	115.6	114.4
W'sale (Apr.)	217.9	218.6	219.5
C. F'm Pro. (Mar.)	205.5	206.7	221.7
U. S. (Mar.)	110.6	110.5	110.1
Gt. Brit. (Mar.)	328.7	▪326.1	325.5

Note: †Cost-of-Living Index Revised to the Base of 1949=100.
*New series based on 1947=100.
Base of price quotations is as follows: Cattle-Steers, good up to 1,000 lb., to price Toronto. Copper-electrotype, New York Coffee No. 4 Santos. Spot Raw Sugar 96 degrees centrifugal c.i.f.
▪Revised.

Unlisted Mines

(By the Broker-Dealers' Ass'n of Ontario)

Approximate quotations, 3 p.m., June 14, subject to confirmation and change. An asterisk (*) indicates an increase in price, a dagger (†) a decrease in price.

	Bid	Ask
Abenakis	1½	3
Advance	10½	11½
Alexander	4½	5½
Ama Kir	4	5
Amax	19	21
Anamaq	1½	2½
Anuwon	25	28
Arctic	1	2
Astral	†—	30
Aurora	13	16
Beacon	3	5
Bi Ore	4	5
Biroco	2½	3½
Blondor	2½	3½
Fl Grass	†8½	9½
B McDade	7	9
Bourlamaq	1	3
Braminco	10	14
Br Breest	2	3
Bright RL	½	1½
Camlaren	2	3
Camray	2½	4
Captain	3½	4½
Cent Man	7	9
Clinger	†14	17
Clix	7	10
Cody Re	125	140
Columbier	1	2
Columind	3½	5
Comstock	6	9
Conecho	12	14
Con Cop	13½	14½
Cordell	25	30
Crack S	30	40
Craibbe	8	10
Croydon	2	4
De Sant	2	4
Destorada	5	7
Derlac	1½	3
Dunvegan	15	16
Durham	34	36
East Lun	8	10
Echo Ind	2	3
El Bonan	3	5
Elmac	2	4
Fleming	2	4
Forty Fr	70	80
Gan Cop	3	5
Gaspe	1700	1900
Glenburk	†33	36
Glencona	2½	3½
Goldmaq	†17	21
Gov Gold	4	5
Gr Chib	45	60
Greenlee	4	5
Gui Por	†30	35
Harker	2½	3½
HG Yung	27	32
Hornfault	7	9
Hotstone	1½	2½
HU Cmp	†80	85
Indepen	10	12
Indian M	*8	11
Iso	40	45
Insco	6	9
Jardun	28	33
Jerome	16	19
Kamlac	12	14
Ken Bay	4	6
Kenda P	5	6
Kenog	14	16
Lar Add	3	5
L Rong	115	125
Larum	14	17
L Expans	5	7
Lassie	6	8
Lowr Can	*3	5
Lun Ech	54	57
Lyndhst	*32	35
Magoma	†30	33
Mallen	3	5
Mar Bird	1½	3

	Bid	Ask
Maree	4	6
Mate Yel	6	8
McManus	2	4
McCuaig	2	3
Milliken	16	18
Miles RL	1	3
Mindus	13	15
Mistassini	1	2
Mt Keno	2½	4
Mohawk	1	3
Mul Min	180	185
Murmac	2½	3½
Nat New	4	6
New Arl	22	25
New Aug	4½	6
New Mal	2	3
N Rdwood	4	6
Nickel L	11	14
Nick O	150	120
Nipiron	20	23
Norbec	10	14
Norbeau	*65	80
Norcourt	†1	2
Normar	2	4
Novell P	3	4
Obal '45	17	19
Oklend	12½	13½
Orchan	17	20
Orofino	5	7
Ortona	3½	4½
Pascalis	6	7
Pater	*56	61
Payne	3	3½
Pelangio	3	5
Phelps	1	2
Polestar	13	16
Presdor	1	3
Privateer	3	5
Quejo	4	6
Quest	1½	2½
Quyta	5	7
Rainville	17	20
Rand M	8	10
Randona	2	4
Redbark	33	37
Redcon	5	8
Redruth	2	3
Rhyolite	1	2
Richgroup	4½	6
Rugged	1	2
Russet	3	4
St Marys	†34	38
St Michl	*16	19
Salmita	8	10
S Dufault	2	4
Sheldon	11	13
Silv Lake	3	4
Snow L	3	4
Starlight	10½	12
SN Rim	40	42
SM Zone	*42	44
Sunbear	2	3
Tazin	11	13
Ur Ridg	45	50
Vauz Duf	2½	3½
Viking	10	15
Wadge	19	22
Wesley	3	4
West RL	1½	2½
W Wasa	6½	7½
Willroy	†140	145
Y David	5½	7
Yellow vt	250	..
OILS		
Albfield	6	8
Cdn Sp	1000	1050
Franco	28	32
Major Oil	1½	3
N Ranch	5	6
O Smoky	13½	15
Paig Pet	28½	30
Vermilion	3	5
West Loc	7	9

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

June 15, 1954

Public Utility Issues:	Int. Rate %	Due	Bid	Ask.	Prev. Week Bid
Alg. Cen. H.B.R.	5	'59	131	135	133
Bell Tele.	3	'77	93	96	93½
Do.	4½	'67	104	107	105
Braz. Traction	4½	'70	88	91	88
Do.	4½	'71	86½	89½	86
B. C. Electric	3½	'67	95	98	95½
Do.	3½	'75	95½	98½	96
Do.	3½	'69	97	100	98
Do.	4½	'79	102½	105½	103½
B. C. Tele.	3½	'75	103	106	103½
Gat. Power D	3½	'70	93	96	93
Gt. Lakes Pwr.	4½	'69	99	102	99
Maclaren-Quebec Power	3	'69	91	94	91
Mex. Lt. & Pr.	5	'75	80	83	80
Mtl. Trams. B	5	'55	100	103	100
Nat. Lt. & Pwr.	4½	'61	97	100	97
North Que. Pr.	4½	'67	97½	100½	97½
Power Corp.	3½	'67	93	96	93
Quebec Power	3	'62	94½	97½	94½
St. Maurice Pr.	3	'70	93½	96½	93½
Shaw. W. & Pr.	3	'71	92½	95½	92½
Do.	3½	'73	97½	100½	97½
Wpg. Electric	3½	'71	99	102	99
Industrial Issues:					
Abitibi Pr. & P.	3½	'67	98	101	98
Do.	4½	'61	103	106	103
Acadia-Atlantic Sugar	3½	'65	94	97	94
Alaska P. & C.	4½	'66	99	102	99
Aluminum Co.	4½	'73	101½	104½	101½
Barvue Mines	5s	'56	95	98	95
Bathurst P. & P.	5½	'73	101½	104	101½
Bowater's Nfld. P. & P.	3½	'68	93	96	93
B. C. For. Pr.	4½	'66	99	102	99
Burns & Co.	4	'63	98	101	98
Can. Bread	4½	'67	96½	99½	96½
Can. Steamship	4	'66	98½	101½	98½
Can. Brew.	4½	'79	104½	107½	104½
Can. Canners	4	'70	94	97	94
Can. Celanese	3	'62	90½	93½	90½
Can. Chemical	5½	'71	96½	99½	96½
Can. Oil	5	'72	102½	105½	102½
Can. West. Lum.	4	'62	99	102	99
Cockshutt Plow	4½	'65	96	99	96
Columbia Cell.	5	'68	100	103	100
Consol. Paper	3½	'67	99½	102½	99½
Dom. Fd. & Stl.	4½	'69	101½	104½	101½
Dom. Stores	5	'72	101½	104½	101½
Dom. Tar & Ch.	5	'67	102½	105½	102½
Dryden Paper	5½	'66	101	104	101
T. Eaton Accept.	4½	'74	103	106	103
E. B. Eddy	4½	'69	101	104	101
Elk Falls Co.	5	'75	100	103	100
Fed. Grain	4	'64	96½	99½	96½
Gen. Motors Ac.	4½	'69	103	106	103
Gt Lakes Pap.	3½	'67	95	98	95
Gt Plains Dev.	2-4	'65	115	118	115
Husky Oil	5½	'62	100	103	100
Imp. Tobacco	3½	'70	93	96	93
Imp. Oil	3	'69	94	97	94
Indust. Accept.	5½	'74	101	104	101½
Irving Oil Co.	5½	'67	102	105	102
Loblaw Groc.	4½	'73	101½	104½	101½
Maple L M.	3½	'63	96	99	96
Massey-Harris	5	'67	100½	103½	100½
McColl-Front.	3	'71	92	95	92
Mercury Mills	4	'63	74	77	74
Mon. Knit.	4½	'71	80	83	80
N. S. Steel Coal	3½	'63	95	98	95
Page-Hersey T.	3½	'65	93	96	93
Price Bros.	3½	'66	93½	96½	93½
St. Law. Corp.	5	'72	102½	106½	103½
Silverwood Dair.	4	'71	92	95	92
Simpsons Ltd.	4½	'73	103	105½	103½
Simpsons-Sears	4½	'73	101½	104½	101½
Steel Co. of Can.	2½	'67	91	94	91
Traders Fin.	5	'69	102½	105½	102½
Union Accept.	5½	'68	99½	102½	99½
United Steel	4	'60	95	98	95
Un. Grain Gr.	3½	'70	90	93	90
George Weston	4½	'68	101½	104½	101½
CONVERTIBLE ISSUES					
Abitibi Pr. & P.	4½	'61	105	108	105
Ajax Pete. Ltd.	5	'62	80	85	82
Atlas Steels	5	'67	100½	103½	100½
Braz. Traction	4½	'71	86	89	86
B. A. Oil	3½	'61	121	125	124
Do.	3½	'62	105	109	106½
B. C. For. Pr.	5	'62	101½	104½	101½
Can. So. Oils	2-5	'61	89	93	89
Can. Brew.	4½	'61	105	109	111
C.P.R.	3½	'66	98	101	98
Do.	5½	'67	102	105	102
C. Leduc Oils	5	'65	87	91	87
Cockshutt Farm	5	'68	97½	100½	97½
Dom. Magnes.	5	'62	102	105	102
Dom. Steel & C.	4	'61	96	99	96
Dom. Textile	4	'66	95	98	95½
Gen. Pete.	4½	'65	95	98	95
Jupiter Oils	5	'67	91	95	91
Kroy Oils	5	'67	96	99	96
New Concord D.	5½	'65	80	85	80
N. Sup. Oils	5	'64	96½	99½	95
North Star Oil	5½	'68	106	110	106
Pathfinder Pet.	1-5	'62	63	73	63
Ponder Oils	5	'65	95	100	95
Power Corp.	4½	'68	118	121	118
Scurry Oils	5	'64	92	97	92
Silverwood Dair.	5½	'72	106	110	108
Supertest Pete.	4	'70	103	106	103
Traders Finance	4½	'69	110	115	110
Trans Empire	5	'66	94	97	94
Triad Oil	4½	'67	96	99	96
Do.	4	'69	110	114	110
West. C. Brew.	5	'67	108	112	106

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COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

Pulp, Paper

MERSEY PAPER CO., Liverpool, N.S., consolidated net profit for 1953 was $2,683,181, 5.9% more than consolidated net in 1952 of $2,534,246.

Sales volume and average daily production reached new high levels, attributed to a further result of the machine speedup and modernization program which has been going on for a number of years.

In accordance with the provisions of section 95a of the Income Tax Act company converted undistributed income of $501,682 into "tax-paid undistributed income" of $426,430 by paying the 15% tax. Out of the 14,000 new 5% cumulative redeemable preference shares created in 1952, 5,948 were distributed among the common shareholders on the basis of $100 par value of such preference shares for each 33 1/3 common shares held.

Abnormally heavy shipments are the reason for the noticeable increase in accounts receivable, says President B. J. Waters.

Capital expenditures for additions and replacements to properties amounted to $1,128,811, of which $682,088 represents final payments on the construction cost of the new T.S.S. Markland.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1953	1952
Net earnings*	$5,855,676	$5,627,374
Add: Int. income	......	......
Less: Deprec.	590,455	345,134
Debt int.	47,084	58,539
Inc. tax prov.	2,534,956	2,689,455
Net profit	2,683,181	2,534,246
Less: Pref. divds.	315,969	297,101
Com. divds.	198,254	198,254
Surplus for year	2,168,958	2,038,891

*After depletion.

	1953	1952
Times Debt Interest Earned:		
Before deprec.	124.37	96.13
After deprec.	111.83	90.23
Earnings per Share and Dividend Record:		
Pref. 5%: Earn.	$42.63	$41.32
Paid	5.00	2.50
Pref. 4½%: Earn.	...	...
Paid	...	2.25
Com.: Earned	11.94	11.28
Paid	†1.00	†1.00

†Plus stock divd. of one pref. sh., $100 par, for each 33⅓ common shares in 1953 and 1952.

CONDENSED BALANCE SHEET

As at Dec. 31:	1953	1952
Cash	$120,174	$38,937
Accts. rec.	2,368,491	1,231,884
Inventories	3,945,693	4,615,243
Total curr. assets	6,434,358	5,886,064
Def. chgs.	29,180	38,766
Investments	84,483	90,916
Adv. pay.	200,893	50,266
Fixed assets	21,084,058	20,211,220
Total assets	27,832,972	26,277,232
Due bank	......	500,000
Accts., tax., etc., pay.	1,994,615	1,896,539
Bonds due	200,000	200,000
Total curr. liabs.	2,194,615	2,596,539
Funded debt	600,000	800,000
Depreciation res.	10,341,767	9,843,554
Capital stock	8,251,488	8,091,088
Tax-pd. undist. inc.	403,948	572,170
Cap. redemp. res.	434,400	......
Capital surplus	113,194	113,196
Earned surplus	5,493,560	4,260,685
Working capital	4,239,743	3,289,525

Int. Petroleum Plans Refinery In Colombia

International Petroleum Co. is finalizing plans for construction of a 25,000-bbl.-a-day refinery near Cartagena on the Caribbean coast of Colombia.

The new refinery would be situated at the end of the 335-mile oil pipeline of Andian National Corp. — a subsidiary company — which runs from El Centro to the coast.

Sales of refined products in Colombia increased by 17% in 1953. At Baturama, light oil of good quality has been discovered. Exploration drilling is being concentrated to test prospects of a similar type in the surrounding area.

Municipal Bonds

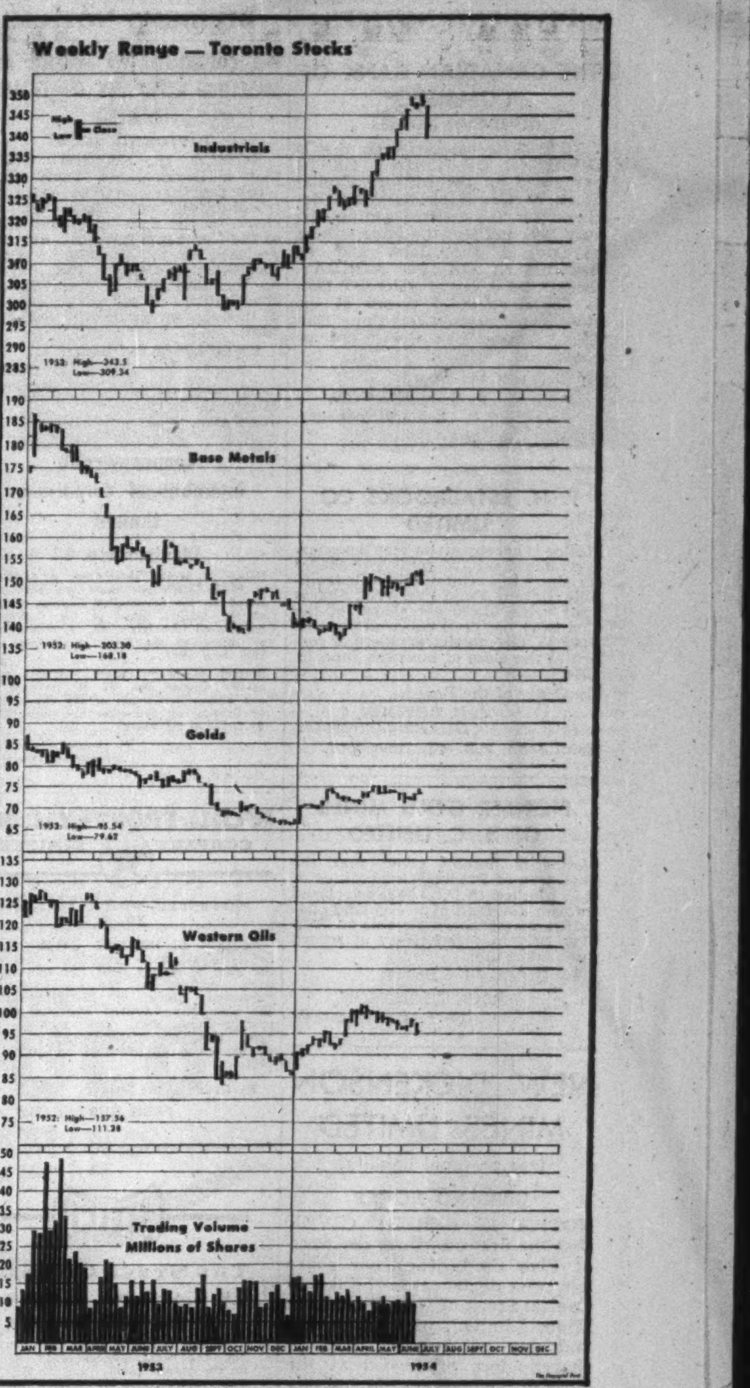
June 15, 1954

	Coup. %	Matur.	Bid. $	Ask. $	Yld. %
Calgary	3½	'69	94	96	3.85
Edmonton	3½	'69	93⅛	95⅛	3.85
Halifax	3½	'66	96	98	3.70
Hamilton	3	'67	93¼	95¼	3.43
Montreal	3	'70	86	88	4.00
Moose Jaw	3½	'60	95	97	4.00
Ottawa	3¼	'68	96¼	98¼	3.40
Regina	3	'64	90	92	3.90
S J'hn N.B.	3½	'65	97	98½	3.80
Toronto	3	'68	93	95	3.45
Vancouver	3¾	'69	99	100	3.75
Victoria	3¼	'68	97	99	3.85
Windsor	2¾	'75	74	76	4.50
Windsor	2½	'75	70½	72½	4.50
Windsor	3½	'75	84¼	86¼	4.50
Winnipeg	3	'69	92	94	3.50

Investment Trusts

	Divd. pd.▴ cents	Bid $	Ask $
Affiliated Funds	......	5.29	5.73
Balanced Mut.	6(13)	4.06	4.46
Can. Invest. Fund	13(28)	6.69	7.34
CanaFund	60(110)	25.75	26.91
Com'wealth Int.	20(23)	5.61	6.61
Corporate Inv.	20(25)	6.32	6.87
Div'sified Inc. shs. B	5(11)	2.85	3.05
Dom. Equity Inv.	40(33)	11.30	11.34
Grouped Inc.	11.5(19.1)	5.32	5.80
Intl. American	......	10.75	11.81
Investors Mut.	14(28.5)	7.23	7.81
Leverage Fund	12(21)	3.96	4.35
Mut. Ac. F.	5,085(20.66)	4.24	4.61
Mutual Income	8.5(20.91)	3.79	4.12
Resources of Co.	10(20)	5.53	6.08
Sup'vised Gr'th Fund	......	2.12	2.14
Sup'vised Inc. Fund	......	4.16	4.20
Timed Invest.	20(20)	†4.80	*4.80
Trans-Can. A	43.4(77)	20.40	...
Do B	37.8(81)	20.10	...
Do. C	7.2(17.2)	4.25	4.55

†Less or (*) plus stock exchange commission.
▴Paid or payable in 1954; total paid in 1953 in brackets.



Market Comment on Page 36

Bond Tenders

12 noon, June 18, 1954, Government of Canada Treasury Bills—Payable Sept. 17, 1954 and Mar. 18, 1955, $40,000,000. Dated June 18, 1954.

Stock Redemptions

Company:	Rate	Date	Price
*Gt. Lakes Paper Co. Ltd. Cl. A pf.	$2.50	Jun. 30	$52.50
*Reitman's (Can.) Ltd. pfd. ($20 par)	5%	July 31	$21

*All outstanding.

C. C. FIELDS & CO.
MEMBERS THE TORONTO STOCK EXCHANGE
200 BAY STREET TORONTO, CANADA

J. E. GRASETT & CO.
MEMBERS THE TORONTO STOCK EXCHANGE
EMpire 8-4781
244 Bay Street — — Toronto
Branch
2881 Dundas St W. — JU. 1167
(at Mavety Street)

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Montreal Stock Exchange
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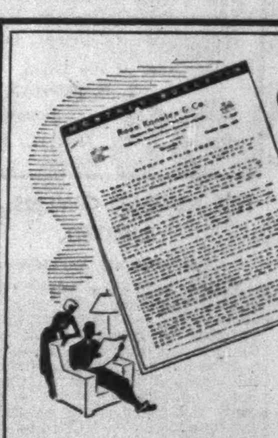
Montreal
New York
Fort William
Port Arthur
London, Ontario
and Buffalo
Affiliate: Watt & Watt Incorporated
70 Pine Street, New York



Growing with Canada
THE rapid development of Canada's economy has opened up important new avenues of growth to many leading companies.
Our Monthly Bulletin for June discusses the subject of growth companies, as well as other topics of interest to the investor.
If you are not now a regular reader, and would like to receive a copy of the current issue, just fill in and mail the accompanying coupon. Our June Bulletin will be mailed to you promptly without obligation.
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DIVIDEND NOTICES

THE CANADIAN BANK OF COMMERCE

DIVIDEND NO. 270

NOTICE is hereby given that a DIVIDEND OF THIRTY CENTS per share on the paid-up Capital Stock of this Bank has been declared for the quarter ending 31st July 1954 and that the same will be payable at the Bank and its Branches on and after MONDAY, the SECOND day of AUGUST 1954, to Shareholders of record at the close of business on 30th June 1954. The Transfer Books will not be closed.

By Order of the Board.

N. J. McKINNON,
General Manager.

Toronto, 28th May, 1954.

T. H. ESTABROOKS CO. LIMITED

Notice is hereby given that the quarterly dividend (26 cents per share) on the 4.16% Cumulative Redeemable Sinking Fund Preferred Shares (par value $25.00 per share) of the Company has been declared payable July 15, 1954, to shareholders of record at the close of business June 15, 1954.

By Order of the Board.

J. B. BRYDON, C.A.,
Secretary-Treasurer.

Saint John, N.B., 4th June, 1954.

PIONEER GOLD MINES OF B. C. LIMITED

Notice is hereby given that the Directors of Pioneer Gold Mines of B.C. Limited (N.P.L.) today declared interim dividend of twelve and one-half cents per share payable on July 31st, 1954, to shareholders of record June 30th, 1954.

By Order of the Board.

ROSS THOMPSON,
Secretary-Treasurer.

NEW DICKENSON MINES LIMITED

(No personal liability)

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that the first quarterly dividend of Five Cents (5c) per share has been declared on the issued Capital Stock of New Dickenson Mines Limited, payable on the 2nd day of August, 1954, to shareholders of record at the close of business on the 2nd day of July, 1954.

THE DIRECTORS PROPOSE to declare quarterly dividends payable the first of the month in February, May, August and November of each year.

By Order of the Board.

R. B. LAW,
Secretary.

MERSEY PAPER COMPANY LIMITED

DIVIDEND NO. 8
PREFERENCE STOCK

NOTICE IS HEREBY GIVEN that a quarterly dividend of One Dollar and Twenty-five Cents ($1.25) per share has been declared on the outstanding Preference stock of the Company payable the 2nd day of July, 1954 to shareholders of record as at the close of business on the 19th day of June, 1954.

By Order of the Board,

J. A. PARKER, Secretary.

Liverpool, Nova Scotia,
May 31st, 1954.

N. SLATER COMPANY LIMITED

HAMILTON - CANADA

DIVIDEND NOTICE

The Board of Directors of this Company on June 10th, declared a quarterly dividend of 53 cents per share on the outstanding Preferred Stock of the Company, payable in Canadian funds on July 15th, 1954, to shareholders of record at the close of business on July 2nd, 1954.

They have also to-day declared a quarterly dividend of 15 cents per share on the outstanding New Common Stock of the Company, payable in Canadian funds on August 2nd, 1954, to shareholders of record at the close of business on July 9th, 1954.

E. GARSIDE,
Secretary.

11th June 1954.

BRITISH COLUMBIA FOREST PRODUCTS LIMITED

NOTICE OF DIVIDEND
NUMBER 22

At a meeting of the board of directors a quarterly dividend of ten cents (10c) per share on the issued ordinary capital stock of this Company was declared payable in Canadian funds on August 3rd, 1954, to shareholders of record at the close of business on June 30th, 1954.

By order of the board.

T. L. DANIELS,
Secretary.

Vancouver, B.C.,
June 10th, 1954.

GENERAL PRODUCTS MFG. CORPORATION LIMITED

DIVIDEND NOTICE

NOTICE is hereby given that a stock dividend at the rate of one share of 3% non-cumulative redeemable Second Preference Stock having a par value of $1.00 per share for each Class "A" and/or Class "B" share of the Company has been declared payable July 15th, 1954, to holders of Class "A" and Class "B" shares of the Company on record at the close of business June 30, 1954.

By Order of the Board.

D. G. WALLACE,
Secretary-Treasurer.

London, Ontario,
June 15th, 1954.

TAYLOR, PEARSON AND CARSON (CANADA) LIMITED

Notice is hereby given that a dividend of 20c per share has been declared in respect of all common shares of record in the books of the Company as of June 15th, 1954.

Dividend will be payable at the Head Office of the Company on July 2nd, 1954.

By order of the Board.

G. C. MONTGOMERY,
Secretary-Treasurer.

Dated May 20th, 1954.

DIVIDEND NOTICES

THE CONSOLIDATED MINING AND SMELTING COMPANY OF CANADA LIMITED

DIVIDEND NO. 98

NOTICE IS HEREBY GIVEN that a Dividend of Forty Cents (40c) per share, and an extra distribution of Twenty cents (20c) per share, on the paid up Capital Stock of the Company, have this day been declared for the six months ending the 30th day of June, 1954, payable on the 15th day of July, 1954, to shareholders of record at the close of business on the 18th day of June, 1954.

By Order of the Board.

L. O. REID,
Secretary.

Montreal, P.Q.
June 10th, 1954.

Commonwealth International Corporation Limited

Dividend No. 82

Notice is hereby given that a dividend of FIVE CENTS per share has been declared on the outstanding Common Shares of the Capital Stock of the Company, payable on 15th July 1954, to shareholders of record at the close of business on 30th June 1954.

Holders of Bearer Share Warrants may present Coupon No. 82 for payment to any branch in Canada of the Royal Bank of Canada, on and after 15th July 1954.

By Order of the Board.

W. Howard Wert, C.A.
Secretary-Treasurer.

Montreal, 8th June 1954.

McCOLL-FRONTENAC OIL COMPANY LIMITED

PREFERRED STOCK DIVIDEND NO. 32

NOTICE IS HEREBY GIVEN that a Dividend of $1.00 per share being at the rate of 4 per cent per annum has been declared on the 4% Cumulative Preferred Stock of McColl-Frontenac Oil Company Limited for the quarter ending June 30th, 1954, payable July 20th, 1954, to shareholders of record at the close of business on June 30th, 1954.

By Order of the Board.

FRED HUNT, F.C.I.S.,
Secretary.

STELCO

THE STEEL COMPANY OF CANADA, LIMITED

DIVIDEND No. 172

Notice is hereby given that dividend No. 172 of twenty-five cents (25c) per share for the quarter ending June 30, 1954, has been declared upon the common shares of the Company, payable Monday, August 2, 1954, to shareholders of record at the close of business Wednesday, July 7, 1954.

By Order of the Board,

H. S. ALEXANDER,
Secretary.

Hamilton, Canada, June 14, 1954.

CANADIAN PACIFIC RAILWAY COMPANY

DIVIDEND NOTICE

At a meeting of the Board of Directors held today a dividend of seventy-five cents per share on the Ordinary Capital Stock was declared in respect of the year 1954, payable in Canadian funds on August 1, 1954, to shareholders of record at 3.30 p.m. on June 25, 1954.

By Order of the Board,

FREDERICK BRAMLEY,
Secretary.

Montreal, June 14, 1954.

SWITSON INDUSTRIES LIMITED

DIVIDEND NO. 5

Notice is hereby given that the regular quarterly dividend of 4½c per share has been declared on the common shares of the company to be payable on Wednesday, June 30th, to shareholders on record at the close of business on Friday, June 18th, 1954.

By Order of the Board.

W. T. GUNNING,
Secretary.

Welland, Ontario,
June 7, 1954.

DOMINION GLASS COMPANY LIMITED

Notice is hereby given that a dividend of one and three-quarters percent (1¾%) has been declared on the PREFERRED STOCK of the Company for the quarter ending the 30th day of June 1954.

Notice is also hereby given that a dividend of Twenty Cents (20 cents) per share has been declared on the COMMON STOCK of the Company for the quarter ending the 30th day of June 1954.

The above Dividends will be paid on Thursday, the 15th day of July 1954 to Shareholders of record at the close of business Monday, the 28th day of June 1954.

By Order of the Board.

F. N. DUNDAS,
Secretary.

Montreal, 26th May, 1954.

BRITISH COLUMBIA ELECTRIC COMPANY LIMITED

CUMULATIVE REDEEMABLE PREFERRED SHARES

NOTICE is hereby given that the Board of Directors has declared the following dividends for the three months ending 30th June, 1954.

4% Cumulative Redeemable Preferred Shares

No. 29. $1.00 per share, payable on 2nd July, 1954. The said dividend will be payable on or after said date in respect of shares specified in any share warrant on presentation of dividend coupon No. 29 at any branch of The Royal Bank of Canada in Canada.

4¾% Cumulative Redeemable Preferred Shares

No. 23. $1.19 per share, payable on 2nd July, 1954. The said dividend will be payable on or after said date in respect of shares specified in any share warrant on presentation of dividend coupon No. 23 at any branch of The Royal Bank of Canada in Canada.

5% Cumulative Redeemable Preferred Shares

No. 7. $0.63 per share, payable on 2nd July, 1954. The said dividend will be payable on or after said date in respect of shares specified in any share warrant on presentation of dividend coupon No. 7 at any branch of The Royal Bank of Canada in Canada.

BY ORDER OF THE BOARD.

J. A. Brice
Secretary

Vancouver, B.C.
27th May, 1954.

Market Comment

What stocks and bonds are doing and what prominent observers say

At midweek U. S. markets were giving strong indications that the recent market setback had run its course. So far, however, volume has been disappointing on the comeback trail. It is significant that most investors are looking on the recent easy spell as affording attractive buying opportunities.

There is a fairly impressive volume of development news building up in Canadian mining and oil situations. It is characteristic of the type of market prevailing in such speculative situations that a handful of issues like Gunnar Mines, on reports of completed financing, Consolidated Mic Mac on its promising oil find in Sturgeon Lake area of Alberta, MacLeod-Cockshutt on its reported uranium find, can rise sharply without influencing adjoining properties.

It appears now that the recent reversal in base metal prices was carried too far. There is a strong indication that lead, which touched a top of 14¼c a lb., might fall back to 13¾c.

There is still no indication of easing in the nickel market. Actually recent Washington action in sponsoring a move towards thinner nickel use in case of some industrial users would appear to point up a continuing tight supply situation.

* * *

H. E. BOULTER; J. R. Timmins & Co. (Toronto)

The market advance which has lasted nine months with only minor corrections could still be in an uptrend. At the end of last year and the beginning of this year it was difficult to find many who would forecast with expectation that we would have such a strong market for investment securities.

The reason for such lack of confidence would appear to be due to either confusion over the various market theories or by the publicity so widespread about a coming depression with the addition of political uncertainties and disagreements being played up so much in the United States.

Actually, this market advance has been due to sounder reasons than most of the historic upturns of the past,—particularly more so than the post-Korea market and obviously more sound than the 1929 bull market.

As the supply of money and the cost of money are among the most fundamental of reasons for changes in the whole price structure of investments, this upturn in stock markets since last fall was indicated when rediscount rates were being lowered and bond prices commenced to rise. The DBS bond yields figure was at 121 last September and is now about 100, or in other words a 21 point decline in yields—or one of the quickest price changes in many years.

The gradual rise in bond price last October and November was actually the first signal that this rise would be followed in sequence by preferred issues, closely followed by the first line investment commons. The actual yield change in commons during this time has been from about 5.8% to below 5% early this month. Bank stocks yield declined from about 4% to less than 3.5% now.

Another fundamental market influence which was not taken into consideration is the fact that commodity and wholesale prices which had commenced to go down early in 1951 stopped declining last fall and by the year end were rising. They have continued to do so until now they have recovered their losses of the past year and a half. While commodity prices and stock prices do not always move in unison it is only when they do that market conditions are in harmony.

Looking forward now, if the unforeseen "ifs" can be eliminated, the outlook seems promising for a rising market until such time as we see a weakening in the bond market, increasing costs for money and a reversal in the uptrend in bank stock prices. According to the Bank Stock theory, common stocks should rise importantly yet before the bull market is over. It is very likely we will see the speculative market, which is much overdue, taking place simultaneously with the events mentioned above.

DIVIDEND NOTICES

DOMINION STEEL AND COAL CORPORATION LIMITED

Dividend Notice

Notice is hereby given that a regular quarterly dividend of twenty-five cents (25c) per share on the outstanding Ordinary shares without nominal or par value of the capital stock of this Corporation has been declared for the quarterly period ending June 30, 1954. Such dividend to be payable on July 28, 1954, to shareholders of record at the close of business on July 7, 1954.

By Order of the Board

G. C. BROADBENT
Secretary and Treasurer

Montreal, P.Q.
June 4, 1954

DOMINION CORSET COMPANY LIMITED

DIVIDEND NOTICE

Notice is hereby given that a dividend of twenty cents (20c) per Share has been declared for the quarter ending June 30th, on the outstanding Common Stock of this Company, payable July 1st, 1954 to Shareholders of record June 16th, 1954.

By Order of the Board,

MAURICE GODBOUT, C.A.,
Secretary-Treasurer.

ST. LAWRENCE CORPORATION LIMITED

NOTICE is hereby given that a regular quarterly dividend of Fifty cents (50c) per share has been declared on the outstanding Common Shares of St. Lawrence Corporation Limited, payable in lawful money of Canada, on July 26th, 1954, to the Shareholders of record at the close of business on July 2nd, 1954.

By Order of the
Board of Directors.

J. E. MARTIN,
Secretary.

820 Sun Life Building,
Montreal, Que.
June 7th, 1954.

Abitibi

DIVIDEND NOTICE

Notice is hereby given that a dividend of 12½c. per share has been declared payable on the outstanding PREFERRED SHARES of ABITIBI POWER & PAPER COMPANY, LIMITED payable on July 30, 1954 to shareholders of record at the close of business June 25, 1954.

By Order of the Board.

L. B. POPHAM,
Secretary.

Toronto, Friday, June 11, 1954

THE HUGHES-OWENS CO. LIMITED

DIVIDEND NOTICE

Notice is hereby given that a quarterly dividend, No. 5, of forty cents (40c) per share on the outstanding Preference Stock of the Company, a quarterly dividend, No. 5, of twenty cents (20c) per share on the outstanding Class "A" Common Stock, and dividend No. 4 of ten cents (10c) per share on the outstanding Class "B" Common Stock of the Company has been declared payable the 15th day of July, 1954, to shareholders of record at the close of business on the 15th day of June, 1954.

By Order of the Board.

(Signed)
A. J. SULLIVAN,
Secretary.

Dated at Montreal this 2nd day of June, 1954.

New Highs and Lows

During the week ended June 12 67 new highs and 14 new lows were recorded among the general stocks on Canadian stock exchanges. In the mining group, there were 22 new highs and 41 new lows. In the western oil group, there were 4 new highs and 19 new lows.

GENERAL

New Highs—1954

Alta. Con. Gas
Argus 4½% pfd.
Banque Can. Nat.
Bank of Montreal
Bathurst Pr. B
Blue Ribbon pfd.
B. C. Elect. 5% pfd.
B. C. Packers B
B. C. Telephone
Burlington Steel
Canada Bread
Can. Foils
Can. Perm Mortg.
Van. Vinegars
Cdn. Gen. Invest.
Can. Ind.
Do. pfd.
C.P.R.
Cdn. Wire Box A
Catelli A
Do. B
Celtic Knit.
Circle Bar Knit. A
Claude Neon pfd.
Cons. Glass A
Crown Trust
Dom. Bank
Dom. Insurance
Dom. Scot. Inv. pf.
East Kootenay Pe.
Erie Floor B
Estabrook pfd.
Federal Grain
Gen. Stl. Wares pf.
G.W. Life
Int. Power
Interprov. Utilities
Maclaren Power
MacMillan & Bl. A
Do. B
Maple Leaf Gdns.
McColl. Fron.
Do. pref.
Niagara Wire
N. Star Oil warr.
People Credit Sec.
Power Corp. 1st pf.
Price Bros.
Quebec Power
Reitman's Ltd.
Royal Bank
Saguenay Pr. P.
Scarfe & Co. A
Simon & Sons pref.
So. Can. Pwr. pfd.
Stand. Brands
Stuart, D. A., pf.
Toronto Iron
Do. A
Traders Fin. 5% pf.
United Fuel A pfd.
Do. B pfd.
Victoria & Grey
Watson, Jack
West. Grocers A
W'minster Pap. A
Winnipeg Gas

New Lows—1954

Agnew Surpass
Bruck Mills A
Cdn. Food Prod.
Do. A
Do. pfd.
Capital Estates N.
Foreign Pr. Sec.
Kelvinator
Lake of the Woods
MacKinnon
Morgan, H.
4¾% pfd. N.
Nat. Hose B
Russell Indust.
Jack Watson

MINING

New Highs—1954

Ad. Astra
Beaucage
Campbell Chib.
Coniaurum
Cons. Guayana
Falconbridge
Goldhawk
Hoyle
Jonsmith
Leitch Gold
Lingside
Macleod-Cockshutt
McKenzie Red L.
New Hugh Mal.
New Taku
Nipissing
Opemiska
Parbec
Que. Yellowknife
Sheep Creek
Trans-Dom.
Wiltsey

New Lows—1954

Area
Arjon
Armistice
Aumaque
Bonville
Bordulac
Broulan Reef
Bulldog Yellow.
Bunker Hill
Callinan Flin Flon.
Candn. Malartic
Celta Dev.
Chimo
Cons. Denison
Cons. Rochette
Dominion Asb.
Fenimore B warr.
Frobisher 4% deb.
Goodfish
Hugh Pam
Iso Uran.
Klondike-Keno
Macdonald
Martin McNeely
Molybdenite
New Harricana
New Marlon
New Vinray
North Rankin
North Trinity
Omnitrans
Pac. East
Porc. Prime
Royan
Soma-Duv.
Steelroy
Tungsten
Utd. Montauban
Weedon Pyr.
Winchester
Zenmac

OILS

New Highs—1954

North Can.
Nucco
Transfield
Western Maygill

New Lows—1954

Ajax
Amurex
Anchor
Br. Empire
Calnorth
Canso Pet.
Cons. Allen
Fargo
Federated Pete
Jet Oils
Naco
N. Concord
N. Pacalta
Royal Canadian
Sapphire
West Territories
West. Leaseholds
Wilrich
Yankee Princess

G. D. POWIS

has been appointed secretary-treasurer, the Montreal Star.

Simpsons-Sears Signs Sta-Rite In Pump Deal

A firm brought to Canada by Simpsons-Sears — Sta-Rite Products Inc. — has wrapped up a multimillion dollar five-year deal with the department store chain for pumps and water systems.

The Wisconsin company's Canadian subsidiary at Ajax, Ont., is now in production and will turn out a private brand line of both pumps and water systems for Simpsons-Sears.

Sta-Rite Products came to Canada because of its interest in current rapid-fire expansion plans of Simpsons-Sears.

The deal is one of a number announced by the department store company in recent months. Others:

—Manufacture of "Coldspot" refrigerators, made in Canada by Kelvinator rather than imported.

—Manufacture of "Gibson" refrigerators, made by General Steel Wares Ltd. rather than imported.

—Manufacture of "Kenmore" washing machines by John Inglis Co. and 'Kenmore" stoves by G.S.W.

Head Wrightson Co. Pushes Mine, Oil Machine Sales

OTTAWA (Staff) — Another of Britain's foremost engineering firms is expanding operations in Canada.

Sir John Wrightson, vice-chairman and deputy managing director of Head Wrightson Co., told The Post after his first trans-Canada trip that he was tremendously enthusiastic about Canadian development and looked to a long-term future for his business here.

Head Wrightson will concentrate in Canada on the sale of mining machinery and oil and gas equipment. A technical and sales office has been established in Toronto with two of the firm's English-trained technical men in charge.

E. J. Robinson is manager, assisted by F. W. Gowland. Their aim is to give technical advice as well as to collect orders, and Sir John believes in the good old technique of selling on the spot.

"What we've got to do," he said, "is to get out to the mining camps, see their problems and try to persuade them that we have got the answers."

Has The Answers

He clearly believes that Head Wrightson has answers to at least some of the needs of Canadian mines and oil companies. For Alberta the company has a new method for separating crude oil from natural gas. It is designed to simplify the separation process with improved efficiency. For mines the accent will be mainly on milling and classification equipment.

"What we sell," said Sir John, "is brains."

But it is brains expressed in millions of dollars of engineering. The company does business in many parts of the world and has manufacturing subsidiaries in Australia and South Africa.

Sir John himself has traveled through most of Africa, and he talks nostalgically of a gold rush in Kenya. He has been in Egypt, Turkey, Spain. He chuckles over his recollections of an attempt to interest him in a salted gold mine in Yugoslavia.

"I could almost see the chap with the pepper-pot sprinkling the gold dust ahead of me," he said.

The Wrightson firm was founded by Sir John's grandfather at Thornaby-On-Tees in Yorkshire. Sir John is the third baronet, and his brother, Peter Wrightson, also a deputy managing director, is now in Spain. The chairman and managing director of the firm is Richard Miles.

Sir John, who is 43, served in the British Army through the war from Dunkirk to the crossing of the Rhine, where he was wounded with the 6th Airborne Division. Otherwise all his life, since he left Eton, has been in the Wrightson business, where he went through every department of the company.

Right In Front

He is very proud of the family nature of the business. "It's good, you know," he said, "to have worked for my grandfather. But the company must always keep right in the forefront of technical development. We believe we have."

The Canadian operation, Sir John insists, must be regarded as a long-term proposition. Some time in the future, he believes, there will have to be a manufacturing plant in Canada. But there's no rush. It will depend on how quickly business develops.

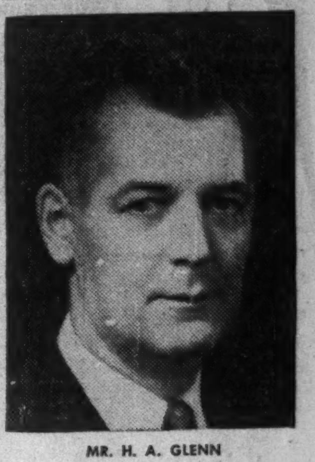
Spares and service? No real problem, says Sir John.

"We sell our equipment around the world, and we know spares have got to be on the spot when they are needed. When we get going we'll have a stock in Toronto, and fly them from there to anywhere they are needed in Canada."

Although mining and oil and gas equipment are the main lines which Head Wrightson hopes to develop in Canada, the parent company can supply almost any heavy engineering work from an aluminum bridge to a complete petrochemical plant.

It has just secured a contract to build Imperial Chemical Industries' new butadiene plant in England. It is building a $3½ million iron and steel mill in Spain. It makes many of the forgings for Ford and GM cars in England. Another subsidiary works in aluminum—with ingots from Canada — and has built basicule bridges out of it.

ANNOUNCEMENT



MR. H. A. GLENN

Mr. T. F. Rahilly, President, announces the appointment of Mr. H. A. Glenn as Vice-President and General Manager of Paper Machinery Limited, Paper Mill Equipment Limited, and Hydro Turbine Company, Limited, all members of the Canada Iron Group of Companies. Previous to his new appointment, Mr. Glenn was Director of Product Development of the parent Company.

Young Galt Development Firm Winning Machine Tool Fame

Two young men (34) with plenty of ideas, Lincoln Magor and George Barrett have already taken a major stride toward making their firm, Retor Developments Ltd. Galt, well known for building better industrial "mousetraps" for industry.

They took the old industrial problem—how to copy a small part which can't be forged or stamped by reproducing it on a lathe. The old method is to have a skilled machinist copy it by slow expensive measurement. Today there are expensive attachments which will copy parts from a master automatically — but they can't copy everything.

Barrett, a master mechanic whose work has been "souping up" and improving track racing cars in the United States and Canada, developed a compact hydraulic tracing attachment for lathes a year ago.

The gadget was simpler and seemed more accurate than existing attachments. It seemed suited for the small machine shop enabling it to undertake accurate production in competition with larger companies without expensive equipment.

The first test order came from a Burford machine shop which was having trouble with a contract for miniature Fort Henry cannons for the Ontario Department of Highways. The barrels had 17 different diameters and constantly changing tapers. With the tracing device the job was changed from a two-hour to a two-minute job.

At the Trade Fair

With the 1953 Canadian International Trade Fair more orders came in. Then, after a Philadelphia equipment show last year orders started to flow in from big companies in the U. S. as well as Canada.

The device, the Mimik, is, it's claimed: cheaper at $995 than its nearest competitor at $1,300; can do more (the interior and exterior of a hexagonal box has been copied exactly as has a Coca-Cola bottle in metal); it has an accuracy of 0.003 of an inch diameter and 0.002 of an inch in length; it cuts production time by as much as 66%; will duplicate, for the first time, any combination of shapes throughout 180 degrees of a circle.

Good Roads Association Awards Scholarship

The Canadian Good Roads Association has awarded a scholarship to Gordon D. Campbell, Winnipeg, to undertake postgraduate work in the United States. The scholarship is made available by the International Road Federation, Washington, D.C., to stimulate and raise the level of highway engineering proficiency throughout the world. CGRA is one of IRF's 44 affiliates throughout the world.

Mr. Campbell, a graduate of the University of Manitoba and Purdue University, is now employed by the Trans-Canada Highway Division of the Department of Public Works, Ottawa. He will attend Purdue University and work toward a doctor's degree in the economics of highway engineering.

DIVIDEND NOTICES

VENTURES LIMITED

DIVIDEND NO. 34

NOTICE is hereby given that a dividend of Fifteen Cents (15c) per share has been declared by the Directors of Ventures Limited, payable in Canadian funds on July 15th, 1954, to shareholders of record at the close of business on June 25th, 1954.

By Order of the Board.

A. G. FULTON,
Secretary.

Toronto, Ontario.
June 14th, 1954.

Grain Prices

Chicago Futures

Week to June 14, 1954

Crop year from Aug. 1, 1953 High	Low		High for week	Low for week	Close June 14
		Wheat—			
2.21¾	1.81½	July	1.96¼	1.92¾	1.93⅜
2.24	1.93	Sept.	1.99¼	1.95	1.96¼
2.28⅜	1.98	Dec.	2.03¼	1.99¾	2.00⅜
2.07⅜	1.04⅜	Mar.	2.04¼	2.00½	2.02½
		Corn—			
1.60¾	1.45½	July	1.56⅜	1.54¾	1.56⅜
1.53¼	1.47¼	Sept.	1.52¼	1.49¾	1.52
1.50¾	1.39⅜	Dec.	1.42⅜	1.40⅜	1.41⅞
1.46	1.43¾	Mar.	1.45⅜	1.43¾	1.45⅜
		Oats—			
.79⅜	.66	July	.71⅜	.69⅜	.71⅜
.75⅜	.66½	Sept.	.69¾	.68	.69¾
.76⅜	.69½	Dec.	.71¼	.70	.70⅜
.74½	.71½	Mar.	.72¾	.71½	.72¼
		Rye—			
1.36	.91½	July	1.05½	1.00½	1.02
1.31½	.94¾	Sept.	1.08½	1.03¼	1.05¼
1.26½	1.00	Dec.	1.13¼	1.08½	1.10
1.14	1.11	Mar.	1.17½	1.13¼	1.14
		Soybeans—			
		July	3.83¼	3.57	3.83¼
		Sept.	2.74½	2.64¼	2.69½
		Nov.	2.53	2.47½	2.52½
		Jan.	2.56½	2.51	2.55½
		Mar.	2.58¾	2.54½	2.58½

Chicago Cash

	For Week June 14 High	Low	Prev. week High	Low
Corn—				
2 Yell.	...	...	...	...
Oats—				
1 H. Wh.	.84	.83¾	.79½	.75½

Winnipeg Futures

Week to June 14, 1954

Crop year from Aug. 1, 1953 High	Low		High for week	Low for week	Close June 14
		Oats—			
.71	.66¼	July	.68⅜	.68	.68⅜
.69⅞	.65¾	Oct.	.67¼	.66⅜	.67¼
.65½	.64⅜	Dec.	.65½	.65¼	.65¼
		Barley—			
1.00¼	.85¼	July	.93⅜	.91⅜	.93
1.02¼	.84⅜	Oct.	.88⅜	.86⅜	.88¼
.85¼	.82¼	Dec.	.84⅞	.82¼	.84¼
		Rye—			
1.10	.84¾	July	.92¼	.88¾	.91⅜
1.08⅜	.85⅜	Oct.	.93	.89¾	.92¼
.93½	.90	Dec.	.93½	.91½	.92⅜
		Flax—			
3.14¾	2.58	July	2.67½	2.62¼	2.65½
3.01	2.48½	Oct.	2.59	2.52¼	2.57½
2.52	2.44	Dec.	2.52	2.47	2.51

Winnipeg Cash

	For Week June 14 High	Low	Prev. week High	Low
Oats—				
2 C. W.	.71⅜	.70⅜	.71⅜	.70⅜
3 C. W.	.68⅜	.68⅜	.69¼	.68⅜
Barley—				
1 Feed	.95⅜	.94½	.96½	.94½
2 Feed	.95¼	.94⅜	.96	.93⅜
1 Malt	1.30⅜	1.00⅜	1.01½	1.00
Rye—				
2 C. W.	.91⅜	.89⅜	.90½	.88⅜
1 C. W.	.91½	.89⅜	.90½	.88⅜

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• AGRICULTURAL CHEMICALS
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COMPANY LIMITED

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THE BOWATER PAPER CORPORATION LIMITED

SIR ERIC VANSITTART BOWATER'S ADDRESS AT THE MEETING OF THE FIRST DEBENTURE STOCKHOLDERS OF THE CORPORATION IN LONDON ON 3rd JUNE, 1954

At the meeting held in London on 3rd June, Sir Eric Vansittart Bowater, Chairman of the Bowater Paper Corporation who presided, said:

This meeting has been called to consider the amendments we propose to make in the terms and conditions on which the First Debenture Stock of the Corporation was issued, and I will endeavour to give to you as clearly and concisely as I can the reasons why we are now seeking your consent to these alterations.

Improved Financial and Commercial Conditions

The Stock you hold was issued in 1947 when conditions, both financial and commercial, were entirely different from those ruling today. Financially we were then still in the era of cheap—I might say ultra-cheap—money, which was the policy of the Government of that day and commercially our industry was still suffering severely from the adverse effects of the late war; indeed, in the case of our own paper mills in this country the basis of operations at that time was only some 40% of our then productive capacity. How different are current conditions from those then prevailing; the money market has regained a large measure of freedom, once more it would appear that the Bank rate is being allowed to function as it was always intended that it should, and the industries in which we are engaged are operating to capacity and, in common with other industries, enjoying a substantial measure of prosperity.

It has long been my practice to have copies of my address at the Annual General Meeting sent to all our Debenture holders—I have done this despite the fact that there is no obligation on our part to do so, because I do like those who have a stake in the Bowater Organisation to be kept as fully informed as possible. The Accounts which are also sent to you will have made you aware of the strong financial position of the Bowater Organisation and of the material changes that have taken place—much I suggest to the advantage of the Debenture holders—in our affairs, both financially and in productive capacity, since the Debentures were first issued in 1947. You may also have noted, with I imagine some satisfaction, my remarks at our recent Annual General Meeting in regard to the very large sums of money we have spent since the war and are spending, here and overseas, in the development of all our properties; the total amount, might I be allowed to remind you, was the impressive figure of £45,000,000 of which no less than £21,000,000 has been or will be provided out of our own resources. I repeat this to you today because I believe it is of importance to you and because it is an achievement of which we are all truly proud.

The Bowater Organisation, as you will know, is essentially international in character and something more than a half of its assets from which the larger part of its aggregate earnings is derived are situated overseas.

Developments in North America

The development of the Organisation both in the United Kingdom and overseas has in recent years been remarkable, particularly in North America where the greater part of our overseas interests lie. These interests include the important pulp and paper mills in the Canadian Province of Newfoundland owned and operated by Bowater's Newfoundland Pulp and Paper Mills Limited, and the great new pulp and paper mills now in the process of coming into operation in Tennessee in the southern United States, which are owned by Bowater's Southern Paper Corporation and were erected by that company at a cost, including working capital, of $60,000,000.

These interests, together with The Bowater Paper Company, Inc., the company which acts as the distributing medium for the products of the Organisation on the North American continent, are administered and controlled by us through The Bowater Corporation of North America Limited whose headquarters are in Montreal and which now owns the whole of the equity capital in the three companies to which I have just referred; the whole of the capital of the North American Corporation is, of course, in turn owned by the parent Corporation.

The financing of any further developments by those companies or the acquisition of other interests in North America would necessarily be in dollars, and clearly would best be dealt with through the medium of the North American Corporation. I do not wish to give the impression that we have any major projects of this kind under immediate contemplation, but the continued immense growth of the United States and Canada, both in population and industrially, affords to the industries in which we are engaged immeasurable opportunity for healthy and economic expansion and accordingly we envisage the possibility—indeed the likelihood—of further development and expansion in those countries; moreover such opportunities may present themselves unexpectedly and at short notice and, in such an eventuality, we would want to be in a position to take advantage of them as and when they arise.

To assure to the North American Corporation the necessary financial freedom and flexibility to arrange for the financing of any further developments or opportunities that may arise profitably to expand its interests it is desirable that its assets, including its holding of the Common Stock of Bowater's Newfoundland Pulp and Paper Mills, should be free and unencumbered and accordingly we seek your consent to release that Stock from the specific mortgage or charge granted in favour of the Trustees for the First Debenture Stock that you hold.

Outstandingly Strong Position of Debentures

My colleagues and I consider that this is far from being an unreasonable proposal particularly having in mind the nature of the information I gave you in my Circular Letter of the 15th May last and more particularly in the seventh paragraph of that letter, and the outstandingly strong position of the Debentures in relation to their cover, both in respect of principal and interest, that has resulted as a consequence of the substantial sums that have been ploughed back into the business out of profits and the large amount of new capital introduced since those Debentures were first issued in 1947 and, may I emphasise, the truly remarkable increase in the Net Assets and the greatly enhanced earning capacity of the business that has occurred since then.

In these circumstances, our Debenture Holders can, in my opinion, well afford to relinquish the specific charge over the Common Stock of Bowater's Newfoundland Pulp and Paper Mills; clearly, though it is reasonable for them to expect some consideration for doing so and indeed, in my belief, they are entitled to such consideration and that is why we are now offering them an additional one-half of one per cent. per annum.

In some quarters I have seen the higher rate of interest we now offer described as generous—by one commentator as handsome; if this is the case I am glad it should be so for, as I earlier said, the vast majority of subscribers to these debentures were our own stock and shareholders and I always feel that they are entitled to the most favourable consideration, more particularly perhaps having regard to the very high degree of goodwill and loyalty they have always displayed towards the Corporation and the ready response they invariably accord to our appeals to them for additional capital for the development of our great enterprise.

I should perhaps also mention that this increased rate of interest is in future to be applied to the Sinking Fund contributions thereby increasing to some extent the amount of Stock to be redeemed each year.

From the point of view of all concerned, the interests of the business itself are paramount and anything that might hamper its proper development or defeat or delay its growth and expansion is, I am sure you will agree, undesirable. I am convinced that sooner or later great opportunities for the further profitable development of our interests in North America will present themselves and, in my opinion, it is vital that we should be ready and able to take full advantage of such opportunities when they occur and in my view, which I believe you will share, it is also in the best interests both of the Corporation and of its Debenture holders that this should be so.

In conclusion may I say that it is gratifying to us in the extreme that such a very substantial number of our Debenture Stockholders should have seen fit to support the proposals that we are here to consider today by sending us their proxies in favour of the Resolution. These proxies represent more than 59 per cent. of the total debenture stock outstanding, and we regard it as a high compliment that they should in this way have again displayed their confidence in us and in our judgment.

The resolution submitted to the meeting was carried by an overwhelming majority, the result of the poll being that 1,833,198 votes were recorded in favour and 4,031 against.

Aquarius Drilling Showing Uranium

The Algoma uranium area property of Aquarius Porcupine Gold Mines, under option to McIntyre Porcupine Mines has been responding to development, Franc R. Joubin, Aquarius managing director, states in answer to shareholders' queries.

To May 10, McIntyre had completed 14 drill holes along a strike length of roughly 6,600 ft. Typical uranium-bearing Algoma conglomerate was cut in most holes. The two most promising sections averaged 1.5 lb. U_3O_8 per ton over a thickness of 8 ft. and length of 2,000 ft. and a section averaging 1.4 lb. U_3O_8 per ton over a thickness of 10 ft. and length explored to date of 800 ft. Since there was some evidence of leaching in several intersections, it is possible that higher values will be obtainable. About 1,400 ft. of favorable strike length remains to be explored.

McIntyre has reported to Aquarius that if a price for uranium somewhat better than $7.25 is obtainable, then they propose to undertake 10,000 ft. of additional drilling. If this additional work continues to produce results as good or better than those secured to date, underground work will be undertaken with a view to developing a 500-ton per day operation.

MacMILLAN & BLOEDEL LTD. converted 1,370 Class A shares into an equal number of Class B shares during May. At May 31, 1954, there were 130,353 Class A and 5,155,185 Class B shares outstanding.

MINING INVESTMENTS

Cost Reduction Possible In Leaching Uranium Ores?

Will uranium producers in the future be able to attain leaching costs under the $8 to $9 a ton figure which many in the mining industry see likely? That represents the cost of leaching alone with cost of mining, etc., all additional.

While data on actual operating costs of Eldorado are restricted and the full cost picture isn't yet available, there is apparently a likelihood of costs of under $8 or $9 a ton being realized by a sizeable producer.

The $8 to $9 a ton might be right with today's technology, treating only 100 tons of ore a day. But treating, say, 500 tons of ore a day, best information is that leaching costs of $6.50 to $8.00 would be a reasonable expectation.

So far two types of uranium leach processes are in use in Canada—a basic (caustic soda) leach utilized by Eldorado Mining & Refining at Beaverlodge, and the acid (sulphuric acid) leach being used at the Great Bear Lake operation of the same company.

Gunnar Mines Ltd. will use the Eldorado sulphuric acid cold leach which is not a pressure leach unlike the initial Beaverlodge caustic soda process.

It is understood that Professor Frank Forward of the University of B. C., who played an important part in the development of the Sherritt Gordon leach process, is now working on a sulphuric acid pressure leach for uranium ores. Presumably the possibility is that such a leach process might offer some savings.

* * *

Stockpiling Surprise

Any thought that buying for the U. S. stockpile might be aggressive, with the supplementary stockpiling now effective for lead and zinc, has received a rude jolt. The U. S. General Services Administration turned down offerings of lead at both 14¼c U. S. and 14c U. S. Current price had been 14¼c U. S. but this dropped to 14c U. S.

Secrecy surrounds the amount of lead and zinc to be purchased from U. S. domestic sources now, but General Services Administration sent out telegrams to producers asking quantities and prices on offerings they were prepared to make.

The current stockpiling program has been limited to the current fiscal year, but a further purchase directive for lead and zinc—and other materials as well—will be issued soon after July 1.

New Tungsten Producer

A new "twin" tungsten producer has been brought into production in Eastern Canada to match the big Emerald tungsten mining operation of Canadian Exploration Co. in B. C.

Canada's newest mining project is that of Burnt Hill Tungsten Mines which has begun the tuning up of a 150-ton tungsten mill in New Brunswick.

Initial tests are reported to have been limited to small tonnages. Underground work to open stopes is being rushed to achieve full scale operation as quickly as possible.

Encouraging lengths of good grade tungsten ore are reported to have been opened in underground work. The operation apparently stands a favorable chance of success.

* * *

To Test Townsite?

Will three claims of Kirkland Townsite Gold Mines fairly close to the heart of the Kirkland Lake gold camp prove productive of ore at depth?

This question may be answered before too long as Wright-Hargreaves is reported likely to close negotiations for this strategic bit of ground in next few weeks. June 25 is reported the "deadline" for the Kirkland Townsite board and shareholders to act on the Wright-Hargreaves proposal.

Under the proposed deal, Wright-Hargreaves would receive 75% of any profit realized, the balance going to the Townsite company.

It is reported that negotiations for development of the property at depth by one of the large mining companies has been carried on sporadically for 20 years. A shaft was at one time sunk to 700 ft. in what is now a residential section, but results were not favorable for a mine.

* * *

Metal Statistics 1954

For those interested in the world's metal production, uses, and prices in various parts of the world over a period of years, the 848-page 47th edition of Metals Statistics issued by American Metal Market will be of considerable interest.

This volume not only gives information on various metals but provides a great deal of general information as well, including duties, car registrations, steel industry and railway data.

The volume is available from American Metal Market, 18 Cliff Street, New York 38. Price: $3.00.

Company Reports

Mining

PICKLE CROW GOLD MINES showed an increase in earnings to $262,022 or 8 cents a share in 1953 from 7 cents a year earlier. After paying 10 cents a share in dividends in 1953, working capital was slightly lower at $1,457,627.

Ore reserves are estimated at 475,391 tons of $12.37 a ton, but full recovery of this tonnage, at least in part, would not be economic under present conditions. Operating costs before depreciation were $13.19 a ton last year.

During 1953, No. 3 shaft was deepened 405 ft. to further development of No. 6 vein. The entire cost of this project was charged directly to operations in accordance with established company practice. Crosscutting to No. 6 vein was under way on the new bottom level at 1,900 ft. at the end of the year.

Exploration for No. 5 vein and on the Iron Formation Zone gave inconclusive results or generally low values.

INCOME ACCOUNT

Years Ended Dec. 31:	1953	1952
Bullion prod.	$1,453,117	$1,407,074
Less: Mktg., etc.	13,699	13,386
Net output	1,439,418	1,393,688
Less: Oper. exps.	1,195,567	1,209,969
Oper. profit	243,851	183,719
Add: Sundry rev.	27,005	33,080
Est. Cost-Aid	114,522	119,253
Total earnings	385,378	336,052
Less: Deprec.	44,485	56,781
Prov. for taxes	79,884	54,676
Add: Prof. on sale of assets	1,012	1,035
Net profit	262,022	225,630
Less: Divds.	313,685	313,685
Deficit for year	51,663	88,055
Earned per Share	$0.08	$0.07
Paid	0.10	0.10

CONDENSED BALANCE SHEET

As at Dec. 31:	1953	1952
Cash & bullion	$289,428	$253,160
Govt. bonds*	472,000	472,000
Accts., etc., rec.	16,884	19,548
Est. Cost-Aid	109,087	96,555
Mkt. securities‡	240,457	247,613
Recov. exp.	7,254	7,156
Inc. tax recov.	24,455	21,897
Mat. & supplies	395,449	467,601
Total curr. assets	1,555,014	1,385,530
Dep. re pwr. cont.	28,000	28,000
Prep. & def. chgs.	26,378	6,783
Shs., etc., oth. cos.	36,658	37,040
Mining claims	1,813,498	1,813,499
Plant & equip.▲	103,796	132,490
Total assets	3,563,344	3,603,342
Accts., etc., pay.	85,187	73,334
Reserve for taxes	12,200	9,368
Total curr. liab.	97,387	82,702
Capital stock	2,647,400	2,647,400
Surplus	818,557	873,240
▲After depr. of	1,926,843	1,882,359
*Market value	445,900	442,500
‡Market value	257,800	271,750
Working capital	1,457,627	1,302,828

OPERATING STATISTICS

	1953	1952
Tons milled	90,056	113,674
Aver. recovery	$16.14	$12.38
Ore reserves, tons	475,391	547,697
Grade ($35 gold)	$12.37	$12.61

Oil

GAS EXPLORATION CO. OF ALBERTA had a loss of $9,736 in year ended Nov. 30, 1954, and working capital dropped almost $300,000 to $87,754 due to investments in subsidiaries and development. However, farming out arrangements of B. C. interests has resulted in a 2.6% to 25% carried interest being secured in a larger spread of 1,169,410 acres and has relieved the company from additional carrying charges.

On Dec. 8, 1953, it was arranged to sell 150,000 shares at 60 cents a share and underwriters were granted options on similar blocks at 75 cents and $1.00 a share.

The two productive gas wells in the Rycroft area in which an interest is held have become the sole supply of gas for the town of Grande Prairie and are providing a steady income along with a 25% interest in four producing wells in the Pondera field in Montana.

A 16 2/3% interest is held in a 37,000-acre reservation in the Pouce Coupe area where success was found in the Cadotte sand at 2,380 ft. but followup wells in the Manawan Lake and Rycroft areas have not extended the known productive area.

INCOME ACCOUNT

Years Ended Nov. 30:	1953	†1952
Gross revenue	$26,266	$12,655
Less: Admin. & gen. exp.	36,002	14,789
Net loss & deficit	9,736	2,134

†Period from incorporation to Nov. 30, 1952.

Note — Total income of subsidiary for year ended Nov. 30, 1953, not included in above, was $17,981. Net loss before write-offs was $37.

BALANCE SHEET

As at Nov. 30:	1953	1952
Cash	$86,330	$54,235
Accts., etc., rec.	7,018	45,150
Invest.*	2,366	402,366
Total curr. assets	95,714	501,751
Prepd. exp.†	20,423	20,423
Misc. assets	11,512	10,972
Invest. in & adv. to subs.	204,726	38,958
Other invest.	75,000	100,000
Fixed assets	20,413	11,930
Leases, rts. & agree.	86,949	76,265
Develop. costs	818,156	531,644
Total assets	1,332,893	1,291,943
Bank loan	......	100,000
Accts. pay.	7,960	18,977
Total curr. liab.	7,960	118,977
Capital stock	1,325,100	1,175,100
Less: Deficit	167	2,134
*Market value	2,334	402,337
Working capital	87,754	382,774

†Incl. in curr. assets in co's report.

Note—Assets of subsidiary, not included in above, totaled $207,451 at Nov. 30, 1953. Current assets of $78,943 included $61,744 cash.

Beaucage Metallurgy Solved Ore Said Worth $45 a Ton

Metallurgical processing of the columbium ore of Beaucage Mines has been solved and costs in the neighborhood of $10 a ton are estimated for turning out columbium oxide. Shareholders of Inspiration Mining & Development were informed of this at the company's annual meeting.

Inspiration owns 1,108,000 Beaucage shares and has an option on an additional 250,000 shares at $1 a share, the meeting was told.

M. A. Thomson, president of Inspiration, said the Beaucage property is now being surveyed and the company intends to start shaft sinking.

E. H. Bronson, a metallurgical expert who has been working on the ore problem, confirmed the solving of extraction and said that no work had been done regarding uranium because that was of secondary importance in the problem of extraction.

The method of recovery is based on commonly-accepted method similar to that used on many ores in the north country.

It produced columbium oxide which is saleable. There were also certain side products such as chemical lime and cerium which could possibly prove valuable. Value of the columbium and uranium in the Beaucage ore body was estimated at approximately $45 per ton.

T. M. Kerr, mining engineer for Inspiration, stated that the Newman zone, on which most drilling had been done, extended eastward from Newman Island, and sufficient exploratory drilling has been completed in the western 1,150 ft. of the zone to indicate 10,000 tons per vertical foot averaging .04% uranium and .53% columbium. The deepest hole in this section gave an ore intersection at the depth of 1,100 ft. and revealed continuation of values and ore sections to this horizon.

During the past winter's drilling, hole 32 drilled 443 ft. east of the strike, cut 91 ft. core length, assaying .36% columbium and .01% uranium, while hole 35 drilled 900 ft. southeast on the same strike had 184 ft. of intersections assaying .53% columbium and .01% uranium.

Indicated ore from drilling done up to the present approximated 6,500,000 tons, with an indicated value at present prices for columbium and uranium of approximately $265 million. Drilling of an additional five holes should bring the total of indicated ore to 10 million tons. There was no indication of the ore thinning out at depth.

With regard to the financing of Beaucage Mines, Mr. Thomson assured the meeting that the directors would give careful consideration to the policy to be adopted.

Output Up Sharply At Broulan Reef

A sharp increase in gold output is reported by Broulan Reef Mines with approximately $181,000 turned out in May.

This compares with $143,097 in April and a monthly average in the first quarter of the current year of approximately $119,000.

The Ontario Labor Relations Board has announced decertification of Local 100, Porcupine Mine Workers Union, as bargaining agent for the employees at Broulan Reef. This announcement follows a recent vote on the issue when employees at work voted 136 in opposition to the union to four in favor.

ANNOUNCEMENT

DEXION (CANADA) LIMITED

Dugald Cameron M.E.I.C., P.Eng., Vice-President and Managing Director

Frederick W. Reilly, General Manager of Dexion Ltd., London, England, and Director of Dexion (Canada) Limited.

DEXION (CANADA) LIMITED announces the commencement of production of Dexion Steel Slotted Angle in Canada, and will serve their numerous users and the Canadian industrial expansion with a Canadian made product.

Mr. Dugald Cameron has been connected with the steel industry in Canada for over thirty years having received his engineering training in Scotland prior to emigrating to Canada in 1923. He is President of Dugald Cameron Associates, Limited, Malton, Ont., Director of Thomas C. Wild (Machinery) Canada, Limited, a member of the Engineering Institute of Canada and the Association of Professional Engineers of Ontario.

Mr. Frederick Reilly has been connected with the development of Dexion Products since its beginning and as General Manager of the parent company in England has played a large part in gaining distribution of the company's products in 74 countries, particularly Canada. Dexion is produced in three plants in England, one in Belgium, one in Canada and plants are in process of construction in Australia and France. Mr. Reilly is at present with a British Team in the United States conducting a training course for, and engaging upon an ambitious two months programme assisting the Acme Steel Company of Chicago in organizing the distributon of Dexion in the United States.

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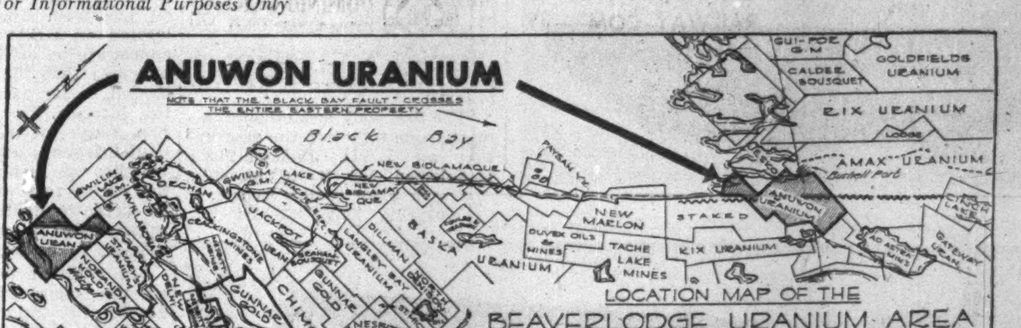

NOW DIAMOND DRILLING

Diamond drilling, with two machines in operation, is now proceeding on the group of 16 claims recently acquired, by ANUWON URANIUM MINES LTD., located a short distance south-east of the Rix Mine, about five miles, by a good road from the town of Uranium City, Beaverlodge area.

J. W. MacLeod, B.Sc., consulting engineer, reports that diamond drill hole No. W-3 has been located to cut under a favourable zone of red, hematized, alteration which has been located in the north-eastern portion of the property. Concerning the zone, Mr. MacLeod reports, "This area of red alteration resembles that which is associated with the orebodies found under similar structural conditions at the Eldorado and Rix properties."

Hole W-4 has been located some distance south of W-3 to test favourable conditions noted in that area. Mr. MacLeod reports on this hole, "The presence of radio-activity on the three outcrops which occur within a few hundred feet of the footwall of the inferred position of the Black Bay fault is justification for exploring the fault where a wide zone of overburden obscures the footwall rock."

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ANNOUNCEMENT

CANADA LIFE APPOINTMENT

E. L. KENNEDY

Announcement is made by The Canada Life Assurance Company of the appointment of E. L. Kennedy as Branch Administrative Officer. Since joining the Company in 1922, Mr. Kennedy has had wide experience in both Home Office and Branch Offices, and for the past several years has been Branch Staff Supervisor.

Ungava Copper Takes on Stature as Drills Show Big Width of Copper Mineralization

By GORDON M. GRANT

An important new base metals belt, with copper the most important mineral, appears to be rapidly shaping up for the Ungava section of New Quebec as the result of wide intersections of copper mineralization in drilling by Ungava Copper Corp.

While copper grade it not high in first holes, widths are very substantial and the company's field staff are hopeful that low costs may prove possible on the basis of open pit mining.

It is obvious from assay results already in that a great stimulation of activity in Canada's northland at this location can be anticipated.

Ungava Copper Corp., financed by Alator Corp. and Yam Securities, with Fenimore Iron Mines a vendor, originally acquired four groups of claims with interesting sulphide occurrences in an area 50 miles west of Fort Chimo and 30 miles south of Leaf Bay in the southwestern part of Ungava Bay. The region is a few miles east of the regional iron formation and the claim groups are generally east and south of the iron concession held by Fenimore Iron Mines.

In Eight-Mile Valley

Initial drilling attention has been concentrated on the Soucy group where a north-south striking valley extending for some eight miles has been the locale of a number of discoveries. No. 1 showing at the northern end of this group gave values last season in a number of trenches with the best returning 1.30% copper plus low zinc-gold-silver values over a width of 31 ft. Width of exposed mineralization in trenching was up to 72 ft.

Initial drilling has involved the putting down of holes along strike of structure at 200-ft. intervals. The first hole returned a core length of 115 ft. averaging 1.0% copper with over $1.50 a ton in gold and about a third of an ounce of silver additional. Included was a 30-ft. section which would grade about 1.3% copper plus $2 in gold and 40c in silver to the ton.

The second hole was drilled 200 ft. to the north and showed good sulphides but copper assays were not available at press time. Gold values show about 50c gold and silver 25c.

A third hole was put down 200 ft. south of No. 1 hole and returned 83 ft. of core starting at 195 ft. averaging 1.80% copper with gold and silver assays yet to come. Four 5-ft. samples returned an average of 4.47% zinc as well.

No. 4 hole, 200 ft. south of No. 3 hole, gave a 75-ft. core intersection starting at 40 ft. averaging 1.33% copper with 10 5-ft. samples averaging 3.25% zinc. No gold or silver assays had been received for this hole to press time.

A total of 27 5-ft. samples were cut for No. 5 hole but additional information is not yet available on this hole.

More Holes Ready?

Because of the break-up, the management is behind in news from the property and core from several more holes, besides No. 5, may be ready for shipment from the property. A plane was going in Friday or Saturday of this week with 15 men for geological and prospecting work and it is expected that core from further holes will be brought out at that time. It is possible that additional holes have been spaced at 500-ft. intervals as a decision was made to step up the drilling interval in an effort to assess more quickly the tonnage potential of the large copper-bearing zone.

The zone dips about 70° east and as holes have been drilled 45° west, core lengths are close to true widths.

A heavier drill is now being moved in for deep vertical holes. If drilling continues to respond with good intersections, consideration will be given to adding still further drills, it is stated.

The Soucy showings, which were exposed by prospector R. Soucy (not named after President Ernest Soucy) are by no means the full extent of the copper showings found and covered by claim groups. The Soucy group was drilled first because most work had been done there.

The Partington No. 1 group of claims, a dozen miles south of the Soucy group, contains a large mass of pyrite and could be a good bet as a source of sulphir. Chalcopyrite (copper mineral) is stated to be visible in fine disseminated grains all through the mass. A small quantity of copper and nickel has been shown on assay of each sample.

A grab sample taken by provincial geologist R. Bergeron on Partington No. 2 group, on the east shore of Lake Gerido, gave 7.60% copper while two 10-ft. channels taken by Ungava Copper Corp. have returned 2.78% copper and $1.61 gold, and 2.57% copper and $2.03 a ton gold, respectively.

With confirmation of importance of Soucy showings, additional claims have been staked by Ungava Copper Corp. recently. However, interest appears to be spreading rapidly in the area and this may restrict ability to extend holdings.

Holannah Mines — 50% owned by Hollinger Consolidated and 50% by Hanna Coal & Ore Corp. — took up wide claim holdings last season, including ground adjoining to the northwest of the Soucy group and claims to the east, south and west of the Partington No. 2 group on Lake Gerido. Holannah activated its program early this year and is reported to have put 10 prospecting parties in the field about April 1.

Large-scale and rather mysterious claim staking was completed shortly after Jan. 1 to the southeast of the Partington No. 1 group where no less than 250 claims were staked en bloc while snow was still around.

With indications that the sulphide zones "drill," others are reported making plans to activate exploration in the area. The Little Long Lac (C. C. Fields & Co.) interests are reported among those interested.

Chem. Research 'New Irons' Stir Market Interest

At least four widely separated factors are reported behind recent market activity in shares of Chemical Research Corp.

The company has recently been successful in patenting a process which involves successful chrome plating of aluminum. Then the company is reported finalizing a new deal in Florida which is said to have a very large profit potential.

Work is getting under way in the Yukon where Prospectors Airways Co. is expected to be making substantial ore news shortly. Besides this, Chemical also has interesting uranium discoveries in the Agnew Lake area, Algoma district, and further investigation of these is being undertaken.

Investigations continue into the possibility of further recoveries from infringement of the company's patent rights for oil cracking.

Cons. Mic Mac Outlines Its Sturgeon Lake Developments

One of the spectacular market performers of recent months on basis of interesting oil developments in Alberta's Sturgeon Lake area, Consolidated Mic Mac Oils has forwarded a letter to shareholders outlining the present situation and the company's position with respect to oil found.

Consolidated Mic Mac has an 8 2/3% carried interest in a 100,000-acre reservation on which productive drilling has been done by the Hudson's Bay-Union Oil team.

President W. C. McGregor reports on the situation in part as follows:

"The first well, located approximately one mile into the reservation on L.S.D. 15-31-68-21w5, established 202 ft. of effective D-3 pay. This is the best well in the Sturgeon Lake field to date and probably the best well north of the famous Golden Spike pool. The well extends the reef in a southeasterly direction by approximately 2½ miles and indicates that the reef rises in this direction. Recoverable reserves under this well have been placed at approximately four million barrels, to give Consolidated Mic Mac in excess of 346,000 barrels of oil per well. The second well, located on L.S.D. 12-27-68-21w5, appears to be off the reef, which indicates that the reef does not extend as far east as to take in this location. The current driller just south of the reservation, Gulf-Iosegun, could ascertain whether this reef extends through the entire reservation. The well is currently drilling at approximately 8,000 ft. and at last report appears to be logging favorably.

"In addition to the extension of the main reef, Gulf-Little Smoky No. 2 located 1½ miles south of the southwesterly portion of the reservation encountered 40 ft. of D-3 pay at a different water level, indicating a second reef possibility . . . Geological data tend to assure us that a substantial portion of this reservation will be rendered productive. The wells currently under way do much to ascertain the direction and extent of this reef, but considerably more drilling will be required before a definite conclusion as to the extent of the reef is obtained."

Two rigs are expected to be kept on the Sturgeon reservation in a continuous drilling program.

If balance of option on 200,000 shares at $2.25 a share is exercised, cash position would be just under $1 million. Consolidated Mic Mac has producing reserves of 1.2 million bbls. of light gravity oil and an income of $225,000 a year.

Amer. Yellowknife Grade Not Yet Ore

Parallel radioactive zones 1, 2 and 4 on the Beta property in the Marian River area have now been tested by 21 drill holes over a combined length of 800 ft. and from 59 to 175 ft. vertical, President J. C. Byrne of American Yellowknife Mines reports.

The first plane after breakup brought out accumulated core samples and assay results have been received for 17 holes.

Degree of red alteration and fracturing has shown improvement including visible pitchblende in five holes as drilling progresses east toward the Marian River fault. A length of 270 ft. of consecutive radioactivity has been intersected to the east in drill holes 9 to 17 inclusive; however, indicated grade to date is not commercial. Seven holes contained core intersections assaying from .11% to .30% U_3O_8 with one highgrade intersection of .85% over 2 ft. in hole 17. Minimum average grade objective at the Beta property is .25% to .30% U_3O_8 per ton.

Shallow holes are going down under No. 6 zone and core samples are being shipped for assay from deeper holes under zones 1, 2 and 4. Field reports indicate that some good assays can be expected from the deeper holes.

American Yellowknife currently holds a 55% interest in the property with Lodge Uranium holding the balance.

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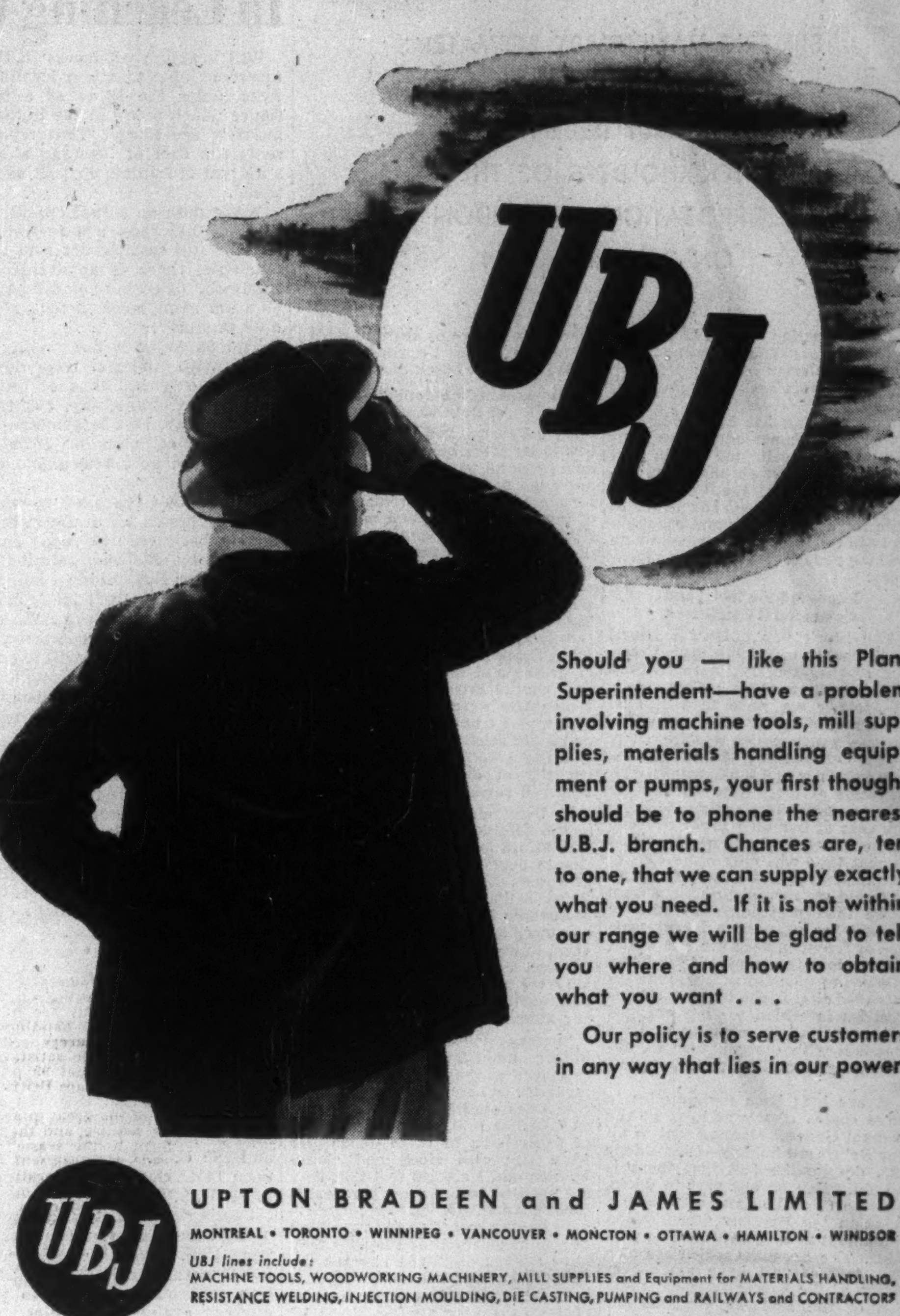

portrait of a "super" with a problem . . .

Should you — like this Plant Superintendent—have a problem involving machine tools, mill supplies, materials handling equipment or pumps, your first thought should be to phone the nearest U.B.J. branch. Chances are, ten to one, that we can supply exactly what you need. If it is not within our range we will be glad to tell you where and how to obtain what you want . . .

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Adaptable! A Butler building was fitted to the narrow McInnis lot by a simple modification of the frame members—no sheeting changes.

"We needed space quickly...and got it—with a BUTLER steel building"

says Mr. C. H. McInnis, Proprietor
C. H. McInnis Company Ltd., Windsor, Ontario

"Our plant facilities were taxed to the limit to keep abreast of orders for McInnis conveyor equipment. We needed extra storage and light-assembly space to clear floor areas around our production lines," states Mr. McInnis.

"We considered all types of construction and chose a Butler steel building—for several good reasons. First—delivery was quick. Second—the Butler building went up in weeks instead of months. Third—a standard 20' wide Butler building modified to our 18' 4" wide lot area with minor structural changes. Fourth—Butler's rigid frame supports a two-ton crane.

"Our Butler building was low-priced to start with, and we saved the cost of one entire side-wall by flashing it directly to the main plant. I like the appearance of our Butler building, too.

"One thing more—our Butler structure is 100% salvageable. When we build a new plant, it is one building we can easily dismantle, move, and use for any of a dozen uses. I will seriously consider Butler buildings for all future plant construction," reports Mr. McInnis.

Strength for cranes. A two-ton crane is being installed in the Butler building housing McInnis light assembly and storage shop. Note crane tracks attached directly to heavy rigid frame members.

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42 Reid St., Corner Brook
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Recently, Canada passed the 15-million population mark in her post-war forward march. Over *four million children* help make up the total! Young Canada's playthings used to be mostly imported from other lands, but in recent years enterprising Canadian businessmen are changing all that. Today, in more than 350 large and small establishments across the country, about six thousand Canadians keep busy making all kinds of toys, playthings and recreational equipment using *steel* as their modern, basic material. Many tons of Stelco rods, bars, wire, sheet steel, tinplate, screws, nails, and cotter pins—made in Canada from iron ore to finished product—are transformed into the tricycles and kiddie cars, doll prams, wagons and toys of many kinds that delight the little ones.

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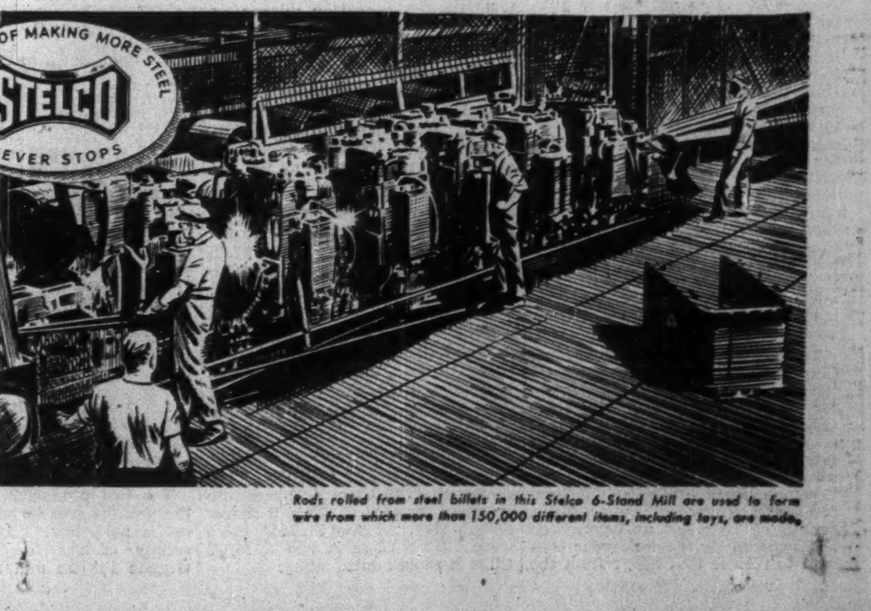

THE TASK OF MAKING MORE STEEL
STELCO
NEVER STOPS

Rods rolled from steel billets in this Stelco 6-Stand Mill are used to form wire from which more than 150,000 different items, including toys, are made.

$18 Millions Of Gunnar Financing Looks But Matter Of Few Weeks in the Future

According to apparently well-founded reports in Toronto financial circles, financing of Gunnar Mines — to the tune of $18 millions — can be expected in about two weeks' time.

While no details of proposed financing have been released or confirmed by management, the $18 millions is expected to be provided by essentially Canadian interests.

It is reported that placing of $8 millions of senior financing with institutions is now in course of arrangement. With Gunnar regarded as an economic project of very superior merit, this $8 millions is expected to be taken up rapidly by various institutions as soon as necessary management approvals are secured.

Debentures With Warrants

The remaining $10 millions is expected to be provided through a $10 million issue of 5% debentures carrying warrants for the purchase of common shares. (It is believed that these warrants will permit purchase of shares at graded prices starting at about $10.)

The $10 million debenture issue, according to reports, will be purchased by a syndicate headed by Nesbitt Thomson & Co., including Wood Gundy & Co., Burns Bros. and others.

With the Gunnar annual report expected to be issued in late June, and the annual meeting likely early in July, it is possible that announcement of financing might come either in the report or at the meeting.

While the price Gunnar will receive for its uranium product has not been released, the grade of ore available and the 1,250-ton mill capacity are expected to permit retirement of indebtedness in a relatively short period.

The company will turn out a higher grade uranium product than the gravity concentrate for which a price of $7.25 a lb. would be paid. So a considerably higher price can be anticipated — possibly around $9.50 a pound.

Big Profit In Reserves

Indicated profit in ore reserves is believed sufficient to repay principal of the proposed issue several times over. No precise estimate of ore reserves has been released, but at a special meeting in March, reserves were said to be sufficient for 10 to 12 years' operation of a 1,250-ton mill. Dollar value of reserves was reported to be more than double the $65 millions of a year earlier.

Ore was not delimited in drilling from ice to the south, but drilling was simply discontinued because it seemed unnecessary to outline further ore when more than adequate reserves for milling purposes had already been established.

Gunnar is now making rapid progress in implementing plans for production.

Target date for production is Sept 1, 1955, but with progress made to date it could be sooner. The fact that the Gunnar ore has been available for open pit mining probably clipped a year or more off the time required to reach production. This greatly simplified the problem of planning the mining of a large tonnage of ore right from the outset of milling.

Because of the secrecy regarding the price of uranium, the profit to be realized by Gunnar has left the "slide rule experts" in somewhat of a quandary. But it will not be surprising if management soon tries to assess profit potential for the edification of shareholders and the investing public.

Pronto East Group Drilling Cuts a 24-ft. Uranium Zone

"Intriguing results that will command more attention at a later date" are officially reported secured by Pronto Uranium Mines in exploratory drilling of its east group.

The last hole drilling on the East group cut a strongly radioactive zone 24 ft. thick containing up to 1.4 lb. U_3O_8 per ton.

Surveys are now proceeding for mine and mill building construction on the main group, it is stated. First actual construction is to get under way July 1. Orders have already been placed for most major plant items in order that these will be installed and in readiness when the shaft contractor's temporary plant is removed.

Construction of the first 10 townsite buildings will commence this week for completion prior to Sept. 1, 1954.

The shaft opening is now down 30 ft. ready for completion of collaring.

Diamond drilling is reported still enlarging the ore picture. The last three holes, all at slope depths between 1,200 and 1,625 ft., gave the following intersections—7.0 ft. of 2.6 lb. U_3O_8; 5.5 ft. of 5.2 lb. U_3O_8; and 5.0 ft. of 3.2 lb. U_3O_8.

Mackeno Profits Up to $56,000 For Last Month

Record operating profits of $56,000 were realized by Mackeno Mines in May which compares with $50,000 for April, continuing the progressive rise which has featured every month so far this year.

A total improvement of $272,000 has occurred in working capital since the beginning of the year as the result of $110,000 received from sale of shares and operating profits of approximately $162,000.

Total concentrates in transit May 30 were 1,675 tons worth $515,883 gross value. Net value after smelter charges and transportation are expected to be $423,260. Two factors contributed to this large total: the period of the break-up, and a strike at the smelter. Concentrates are now moving rapidly and a reduction in concentrate inventory is now expected as the smelter strike has been settled.

New ore encountered on the third level in 350 stope has provided 1,725 tons of 76.7 oz. silver ore and 15% lead ore to May 23. Ore drawn from this stope between May 1 and May 23 totals 605 tons grading 88 oz. silver and over 15% lead. Raising to the second level is now under way and as soon as this raise is completed the drift on the second level will be pushed as fast as possible to this area.

New Bidlamaque Values Improve?

A distinct possibility has been turned up by New Bidlamaque Gold Mines that uranium core intersections from its Gulch Mines property may return better values than indicated by initial test assay work. Further core testing is planned in an effort to confirm the possibility of an improvement in values of as much as 20%.

One diamond drill is now being moved over 7,000 ft. to the southwest along strike of the Black Bay fault to commence exploratory drilling in the vicinity of the Racu radioactive zone. This zone lies close to the shore in a section where two other radioactive areas are known to exist in a low area involving a swale and a lake.

The second drill is to be used to fill in a 250-ft. gap in previous drilling which indicated a length of almost 1,000 ft. of radioactive zone.

No. 20 hole, drilled under no. 19, previously the farthest hole to the southwest showed visible pitchblende and radioactive zone material returned two sections of 0.06% U_3O_8 over 14.2 ft. and 0.066% over 13.3 ft. The latter included 4.5 ft. of 0.15% U_3O_8. A 21 hole is now drilling 100 ft. to the southwest of Nos. 19 and 20, following which fill-in drilling will start to outline the zone in greater detail.

Callinan Flin-Flon Works Manitouwadge

A program of detailed magnetometer work and trenching will be undertaken shortly on the Manitouwadge property of Callinan Flin-Flon Mines, President J. Bradley Streit advises in a letter to shareholders.

The company's properties at Flin-Flon, at Kluane Lake, in the Yukon, in Beaverlodge and in the Algoma Uranium Area, have all been kept in good standing. Equal attention is given to holdings of controlled subsidiary-Transnorthern Nickel & Copper Mines Ltd., whose affairs are under the direction of Callinan, it is stated.

Active development is reported under way by other mining companies either adjacent to or adjoining practically every one of Callinan's holdings. "Development programs which will no doubt be undertaken this season on several of our properties should have the benefit of much valuable information," it is concluded.

Maritime Ferry Contract Goes To Pictou Firm

MONTREAL (Staff) — Contract for a $1.5 million Government passenger-auto ferry to run between Caribou, N.S., and Wood Island, P.E.I., has been awarded to Ferguson Industries Ltd., Pictou, N.S.

To start operating in mid-1955, the new vessel will be 214 ft. long, with a capacity for 36 cars. It has not yet been decided if the ship will be operated by the Canadian National Railways or through a private firm.

The order will help alleviate a serious unemployment situation at Pictou. The shipyard is the community's only major industry and it had no orders on hand, aside from completing a naval crane lighter and a Department of Transport dredge. The new vessel is needed because of a substantial increase in traffic between P.E.I. and the Nova Scotia mainland.

Another ferry, the $5 million, 300-car ship which is due to begin daily runs between Bar Harbor, Me., and Yarmouth, N. S., will be launched later this year at Canadian Vickers Ltd., Montreal.

MARKS & SPENCER LIMITED

RECORD TURNOVER

NINETY-NINE PER CENT. BRITISH GOODS

INCREASING POPULARITY OF ST. MICHAEL TRADE MARK

REHABILITATION & MODERNISATION OF STORES CONTINUED

The twenty-eighth Annual General Meeting of Marks & Spencer, Ltd., was held on the 10th June at 82, Baker Street, London, W.

Sir Simon Marks, D.Sc. (Chairman and Joint Managing Director), who presided, said Ladies and Gentlemen: May I take it that in accordance with our usual practice the Directors' Report and Accounts may be taken as read? (Agreed.)

Changes in the Board

We regret to report the retirement of Mr. A. E. Lees on account of ill-health. Mr. Lees joined the Company in 1931 and was appointed to the Board in 1940. You will desire me on behalf of my colleagues and myself to express our gratitude to him for his many years of devoted and valuable service to our Company, and our hope that release from the labours and anxieties of office will enable him to enjoy his well-earned leisure for many years to come.

We have elected to the Board three new members Dr. Eric Kann, Ph.D., F.R.I.C., Dr. Alec Lerner, M.D. (Man.), M.C.P.S. and Mr. Marcus Sieff, O.B.E., B.A., and appointed as Alternate Directors, Mr. J. A. Lewando and Mr. Michael Sacher, M.A. All these gentlemen are, and have been for years, active in the business in responsible posts. I am sure you will agree that the normal method of recruitment to the Board should be from within the organisation of men bred in its traditions, tested by its problems, and educated in its philosophy.

Profit and Loss Account

Our profit, after tax, amounts to £3,017,000—an increase of £551,000 on last year. Taxation has required £4,850,000 (last year £4,275,000), and includes the provision of £550,000 for the Excess Profits Levy. With the amount of £4,051,000 brought forward, the sum of £7,068,000 is available for distribution.

Your Board recommends a Final Dividend on the Ordinary and 'A' Ordinary Shares of 45% which, together with the Interim Dividend of 20% makes a total of 65% for the year (last year 50%).

After the transfer of £2,705,000 to the General Reserve and payment of the dividends and appropriations set out in the Directors' Report, the balance to be carried forward is £2,561,000.

Scrip Issue

We propose to capitalise the sum of £4,523,491 10s. being a part of our reserves of £11,424,000 to enable a scrip issue to be made on the basis of 1 'A' Ordinary Share for each Ordinary or 'A' Ordinary Share held on the 15th May, 1954, the date on which our Registers were closed. As a result, our capital structure will be brought more into line with the capital employed in the business. Our Ordinary Capital will amount to £9,047,000 and our Reserves to £6,901,000.

Since the incorporation of the Company in 1926 we have ploughed back the sum of £14,000,000 which has provided the major part of the finance required for our general expansion. The fruits of this policy can be seen in the profits we show today.

Properties

Our Freehold Properties appear in our Balance Sheet at £6,558,000—an increase of £935,000. We have enfranchised a number of our Leasehold Stores and acquired additional sites for development.

Our Leasehold Properties stand at £3,351,000. They consist for the most part of sites leased on terms of 99 years or longer on which we have erected our own buildings. Over three-quarters of these sites have still 75 years or more to run.

Our properties were acquired almost wholly before the war. Their value to-day is much in excess of the amount which appears in our Balance Sheet.

Stock.—Large stocks are necessary to cope with our trade. They amounted to £7,793,000 compared with £5,831,000 last year.

Subsidiary Companies

Our Subsidiary Companies have earned £32,000 after tax. This sum is not included in the profits of the parent company but is added to their reserves which now stand at £145,000.

They supply our garment manufacturers with materials and their stocks of cloth—in the grey and finished—amount to £1,648,000 (last year £1,148,000).

General Trading Conditions

I am pleased to be able to report a further substantial increase in our volume of sales during the year. The turnover, nearly £94,000,000, is more than 10 per cent. higher than last year and 26% higher than in 1952, when our sales amounted to £73,000,000.

The general conditions in which the business operates have changed markedly in the last two years. The most notable factors have been the removal of government controls and the increasing availability of raw materials. With more abundant supplies at our disposal, and the lifting of restrictions which for so many years hampered our freedom of action, we have been able to take steps systematically to improve our values over a wide range of our goods. The expansion of our sales is evidence that the public responds to our efforts.

Rising Purchasing Power of the Community

A most encouraging feature of these two years has been the rising purchasing power of the community, a sign of the growing strength of the British economy. There has been a remarkable industrial recovery in this country, matched by a no less striking revival of agriculture. The causes go back a number of years. They can be traced above all to the powerful impetus which the war gave to scientific research. The leaders of industry learned much from that experience. They realised that in order to deal effectively with Britain's peacetime problems they must continue that partnership of minds with the scientists which had proved so fruitful during the war. As a result, both industry and agriculture have made great strides forward. New industries have been founded and are being rapidly developed. Older traditional industries have benefited and have expanded considerably.

In textiles, science has opened up new avenues for development by providing the trade with interesting materials. Man-made fibres have been growing steadily in importance and now represent about a fifth of the world output of textiles. The developments in rayon, and the introduction of nylon and Terylene, with their unique properties, will have far-reaching effects. Nylon, which is now in supply, has already exerted a considerable beneficial effect on the hosiery and allied trades.

Multiplying Demands for Better Goods

The demand for British goods throughout the world has ensured the continuance of full employment, with rising wages. With greater earnings have come multiplying demands and requirements. Goods and services for the consumer are more freely available and there is no doubt that the standard of life of the people has been steadily improving. They are insisting upon better housing, better furniture, more amenities such as television, better and more attractive clothing. And they have the means to satisfy their wants at the right price.

When some 30 years ago we entered the field of textiles, quality and beauty of garments were reserved for those of ample means. For the mass of the people the clothing available was drab and of poor quality. The rise of the multiple shops distributing boots and shoes, and all kinds of clothing, produced by mass production methods, brought about great social changes. Men, women and children changed over to more practical and attractive garments, cheaper in price and better in quality. It is not without satisfaction that we can say that Marks and Spencer took a prominent part in those social changes.

Merchandise Development Work Expanded

One of the main elements in our success before the war was our policy of offering to the public a wide range of well-made garments of good value. In order to further this policy we set up in 1936 a Merchandise Development Department which carried out most interesting and valuable work halted only by the outbreak of war. The exigencies of war compelled the Government to introduce the Utility Scheme, designed to eke out supplies which were becoming increasingly short, and to save labour. It was not surprising, therefore, that the scheme, in which standards and specifications were laid down, narrowed the variety and lowered the quality of materials and goods.

It was not until 1952, some eleven years later, that the rigid Utility Scheme was superseded by the more flexible D Scheme. The period of austerity in Britain's economy was at last coming to an end, and with its passing came new opportunities for initiative. We increased our technical staffs and expanded our Merchandise Development work to cover our most important departments. Whilst they do not undertake any basic research in textiles, our technicians keep abreast of progress in new techniques and new fibres. They follow with great care and attention advances in machinery, processes, finishes, dye-stuffs, and so on.

We are successfully pioneering new cloths and collaborate closely with our spinners, weavers and knitters in working out new standards of quality, always bearing in mind the end product and its selling price to the public. Our knowledge of consumer demand gives us a vital and creative part to play in this work.

Exclusive Goods at Inexpensive Prices

We are therefore concerned with the production of our garments throughout all the stages, beginning with the raw material. We provide our garment manufacturers with the finished fabrics and the models of garments we desire them to produce in bulk. The designs of the prints are selected mainly from leading Paris studios, and the garment models are styled by our own specialists. This considerable but rewarding work enables our suppliers to produce original garments which can be termed exclusive in every sense of the word. Under the brand name of St. Michael they can only be bought in our stores. There is no doubt that our goods are making a considerable appeal to the widening section of the community we now count as customers.

This business lives and flourishes by the principle of giving the public the best possible values in the fields it has chosen. Our trade mark, St. Michael, guarantees the quality and value of our goods, which our customers buy with confidence. By following our tradition of service to the public we shall continue to earn their goodwill, an asset which we prize most highly.

We aim in our Food Division to develop a selected range of high quality foodstuffs at reasonable prices. To-day, with raw materials in free supply, we can specify the best ingredients for each product. I am pleased to say that during the year under review it has been possible, while up-grading quality, to reduce the price of a number of our more important items.

High standards of cleanliness and hygiene are a social responsibility for all concerned in the food business. We strive to set an example in our own stores. I am glad to say that our suppliers are equally aware of the importance of hygiene in the manufacture of foodstuffs. We have pioneered and developed the clean and simple packaging of foodstuffs in transparent film. This is much appreciated by our customers who can see what they are buying while being sure that the goods are not exposed to indiscriminate handling.

Tribute to Manufacturers

It gives me considerable satisfaction to be able to say that 99 per cent. of the goods we sell are British made.

The production of the great quantities of goods we require, and their phasing to conform to the seasonal pattern of our trade, is a task which demands the closest collaboration between our manufacturers and ourselves. Continuity of production is as necessary to them as a constant flow of supplies is essential to us. In pursuing our aim of up-grading the quality of our goods we have built up a relationship with our suppliers which is unique. They value this relationship just as much as we do. It has encouraged them to invest considerable sums of money in new machinery and equipment, and in many cases, in new buildings. They have introduced modern production techniques which have gone far to improve their efficiency. I am happy to record the fact that they appreciate the importance of maintaining high standards of workmanship and finish, to which our customers attach so much importance.

We thank our friends for their cooperation in the past years, and look forward to strengthening our ties with them during the coming period.

Rehabilitation and Modernisation of Stores

We have been concerned since the end of the war with the vital tasks of rehabilitating our properties, modernising our stores, and rebuilding those that were bombed. Apart from the 16 which were destroyed completely and the many others which were damaged by enemy action, all our properties suffered enforced neglect during the war. The conditions of our buildings, and of their fixtures and equipment, deteriorated sadly.

I am glad to report that 12 of our destroyed stores have been re-built and are now operating. Phoenix-like they have risen from the ashes to play their part in our expansion. It is with particular pleasure that I can report that Coventry — which was the first to be destroyed — has now been re-built.

We have continued our policy of modernisation. Whilst this is a process which we can never regard as being complete, we have already carried out major schemes of improvement at a considerable number of our stores. As I told you in my last address, modernising a store means a radical conversion in order to give it a new look and a new character in keeping with the specialised goods we are now selling.

Much of the work carried out since the war has been subject to licence, and we have therefore not been able to proceed as far or as fast as we should have liked. Nevertheless, £13,500,000 has been spent during these eight years. A considerable proportion of this sum has been invested in re-equipment which we regard as an essential part of the process of modernisation. As you will see from the Balance Sheet, Fixtures and Equipment now stand at £3,464,000 (after depreciation).

Now that building licences, after 15 years, are more freely available we can contemplate a new and more systematic programme of development. With the widening of our range of goods, space has become a most important factor in the stores. It is essential to provide more room for our goods so that they can be adequately and attractively displayed, and above all more room for our customers to shop in comfort. We plan to extend and develop many of our present stores which, as you know, are situated in the best positions in the major towns throughout the country. This a long-term programme, which will require a further large investment of funds and take some years to carry out.

Tribute to Staff

Once again it is my pleasure to thank all members of our Staff, both at Head Office and in the Stores, for their devoted efforts during the past year. There are now 28,000 men and women in our employ. Whatever their sphere of activity, they make their contribution to the success of the business.

All have the interests of the Company at heart. Their zeal, enthusiasm and loyalty are worthy of the highest praise, and we take pride in the knowledge that the amenities and services we offer provide conditions under which so many find pleasure and interest, as well as reward, in their work.

We congratulate the Welfare Department on reaching this year the 21st anniversary of its formation. Members of the Department can look back with satisfaction on the part it has played in the prosperity of the business. It has pioneered a tradition of welfare which has brought added prestige to the Company.

The report and accounts were unanimously adopted; the formal business was duly transacted; the proposed capitalisation of reserves and increase of capital were approved and the proceedings terminated with a cordial vote of thanks to the chairman, directors and staff.

Company Reports

Oil

CANADIAN ATLANTIC OIL CO. had a loss of $57,037 in the year ended Feb. 28, 1954, after substantial write-offs but oil reserves are reported at seven million bbls., gas reserves are reported substantial and a Jan. 1, 1954, agreement requires Southern Production Co. to spend a minimum of $5 millions in the next 18 months on properties in which the company is interested.

Authorized capital was increased from 3.5 million to six million shares on May 11, 1954, to permit the extending to Southern Production Co. of options at $4.00 a share on up to a third of Canadian Atlantic's outstanding capital if Southern Production fully meets terms of its agreement.

If Southern Production fails to spend full $5 millions, any difference is to be paid Canadian Atlantic treasury. Southern has also the right to renew its working agreement for a further year by spending an additional $3 millions while the contract can be renewed for still another year if Southern spends $2 millions more.

If the building of the Westcoast Transmission line is sanctioned, a market would be provided for the company's growing gas reserves in the Peace River district.

Gross acreage was increased from 4,502,202 to 6,213,655 acres in 1953 and net acreage rose from 959,207 to 1,478,268 acres. An interest is reported held in acreage nearby the Pembina field, with drilling of a number of wells expected by Southern Production Co.

INCOME ACCOUNT

Years Ended Feb. 28:	1954	1953
Prod'n revenue	$1,047,807	$899,482
Less: Royalties	155,007	131,462
Add: Atl. No. 3 rev. ‡	......	35,111
Misc. income	*157,401	*267,417
Total net rev.	1,050,201	1,070,548
Less: Oper. exp.	433,513	237,214
Leasehold carrying chgs.	198,636	203,642
Roy. invest. w/o	......	4,200
Deprec.	45,976	54,530
Deplet. of prop.	166,349	156,096
Leases surr. & w/o	32,282	299
Taxes	......	63,141
Loss sale of sec.	......	1,050
Net profit before w/o	173,445	350,376
Less: Expl. & dev.	230,482	332,520
Net profit & surp.	♦57,037	17,856

*Including $125,110 in 1954 and $237,738 in 1953, government explor. & drilling credits. Of the 1953 total, $88,659 applied to prior years.

♦Loss or deficit.

Earned per Share	d$0.018	$0.0061

None paid.

CONDENSED BALANCE SHEET

As at Feb. 28:	1954	1953
Cash	$650,494	$717,656
Accts., etc., rec.	130,426	65,565
Guar. Trust cert.	750,000	750,000
Mkt. sec.	314,996	316,760
Total curr. assets	1,845,916	1,849,981
Prepaid exps.‡	149	......
Deposits, etc.	80,726	65,904
Investments	92,067	92,665
Drilling in prog.	116,855	244,011
Leases, land, devel., etc.♦	4,284,502	3,194,684
Plant & equip.†	107,812	127,904
Total assets	6,528,027	5,575,149
Accts., etc., pay.	67,890	69,165
Taxes	39,686	39,686
Total curr. liabs.	107,576	108,851
Capital stock	6,363,342	5,863,342
Capital deficit	68,879	580,069
Earned surplus	125,988	183,025
†After depr. res. of	265,415	222,958
♦After depl. res. & w/o of	861,172	494,823
‡Included in curr. assets in co's report.		
Working capital	1,738,340	1,741,130

McIVOR DRILLING CO. experienced a decline in earnings to 78 cents a share in the year ended Feb. 28, 1954, from $1.21 the previous year.

Gross revenues dropped 17% while net operating income was 27% less. Predominant factor in the reduction was the large number of drilling rigs competing for available work causing exceedingly competitive prices with no drop in costs, President J. W. Wark reports.

With choice of drilling rigs available, demand of oil companies is stated to be for the modern heavier type of rig with portable derrick and substructure, the latest in blowout preventor equipment, steel mud tanks and two mud pumps. A decision has been made to modernize company equipment along these lines to permit securing a larger share of available work. Plans call for rigs to be converted by fall of 1954, with one rig at a time being converted as they come off jobs.

A 10% interest was taken in developing a half section now known as the Roselea Virden field which has had five wells drilled of which two were unproductive. A 12.16% interest was also taken in five quarter sections with Souris Valley Oil Co. and Security-Freehold Petroleums in the North Virden area with six wells drilled including one good well and two fair wells.

With retirement of T. H. McIvor, former president and managing director, it was specified that the name of the company be changed and a special meeting of shareholders is to be held to authorize a new name.

CONDENSED INCOME ACCOUNT

Years Ended Feb. 28:	1954	1953
Net revenue	$327,198	$454,651
Less: Depreciation	97,362	98,636
Taxes	108,359	180,422
Dev. exp. w/o	8,985	......
Net profit	112,492	175,593
Less: Divds.	145,000	217,500
Deficit	32,508	41,907
Earnings per Share and Dividend Record:		
Common	$0.78	$1.21
Paid	1.00	1.50

CONDENSED BALANCE SHEET

As at Feb. 28:	1954	1953
Cash	$100,207	$235,771
Accts. rec. less res.	346,504	219,852
Contracts in prog.	54,897	16,819
Inventories	28,669	76,257
Total curr. assets	530,277	548,699
Prepaid exp. & deposits	21,510	28,199
Inv. in sub. cos.	5,000	10,000
Fixed assets*	230,552	236,042
Incorp. expenses	20,816	20,817
Total assets	808,155	843,757
Accts. p. & accr. exp.	167,670	159,594
Taxes	93,392	90,422
Total curr. liab.	261,062	250,016
Cap. stock	200,000	200,000
Earned surplus	347,093	393,741
*After depr. of	330,100	248,522
Working capital	269,215	298,683

Mining

HASAGA GOLD MINES continued salvage of supplies and equipment in 1953, realized a net profit of $20,771 after all charges. Buildings equipment and supplies carried at $120,000 at the end of 1953 have since been sold to realize $115,000.

Some further recovery is anticipated.

A third interest is still held in Starratt Olsen Gold Mines and Hasaga is also a creditor to the extent of $400,000.

An option on an interesting 45-claim gold prospect was taken in 1953 at a location about 25 miles southwest of Pickle Crow Gold Mines. Interesting surface showings were followed up by a limited program of diamond drilling. Results have been sufficiently encouraging to pay the balance owing under the option, it is reported and preparations are now going forward for completion of further exploration.

"While the work done is not sufficient to be conclusive, your engineers are optimistic as to the ultimate possibilities," President J. E. Hammell reports.

INCOME ACCOUNT

Years Ended Dec. 31:	1953	1952
Bullion production	......	$294,397
Less: Mktg. exp.	......	2,825
Oper. & other exps.	$26,134	347,106
Oper. loss	26,134	144,934
Add: Sundry revenue	23,811	22,811
Est. cost-aid	......	33,621
Sale of assets, etc. (net)	24,205	104,715
Less: Depreciation	......	20,426
Devel. exp. w/o	......	25,381
Adjust., value of f.a.	1,111	......
Net profit & surp.	20,771	*38,594
*Loss or deficit.		
Earnings per Share	$0.007	d$0.013

CONDENSED BALANCE SHEET

As at Dec. 31:	1953	1952
Cash & bullion	$140,153	$70,036
Mkt. secs.*	9,772	72,710
Est. cost-aid	......	6,724
Accts., etc., rec.	18,720	37,529
Inventories	‡120,000	42,056
Total curr. assets	288,645	229,055
Invest. in subs.	50,000	53,116
Due fr. Allied co.	462,937	425,293
Misc. assets	7,865	8,309
Def. devel. exp.	......	13,713
Bldgs. & equip.‡	1	84,064
Property	112,880	112,880
Option on min. cls.	†46,030	......
Total assets	968,386	936,330
Accts., taxes, etc., p.	31,425	9,472
Total curr. liabs.	31,425	9,472
Capital stock	601,079	601,079
Earned surplus	335,882	325,779
*Mkt. value	9,632	313,000
‡After deprec. of	......	327,676
‡Buildings and equipment included in inventories in 1953.		
†Includes $36,030 development expenditures.		
Working capital	257,220	219,583

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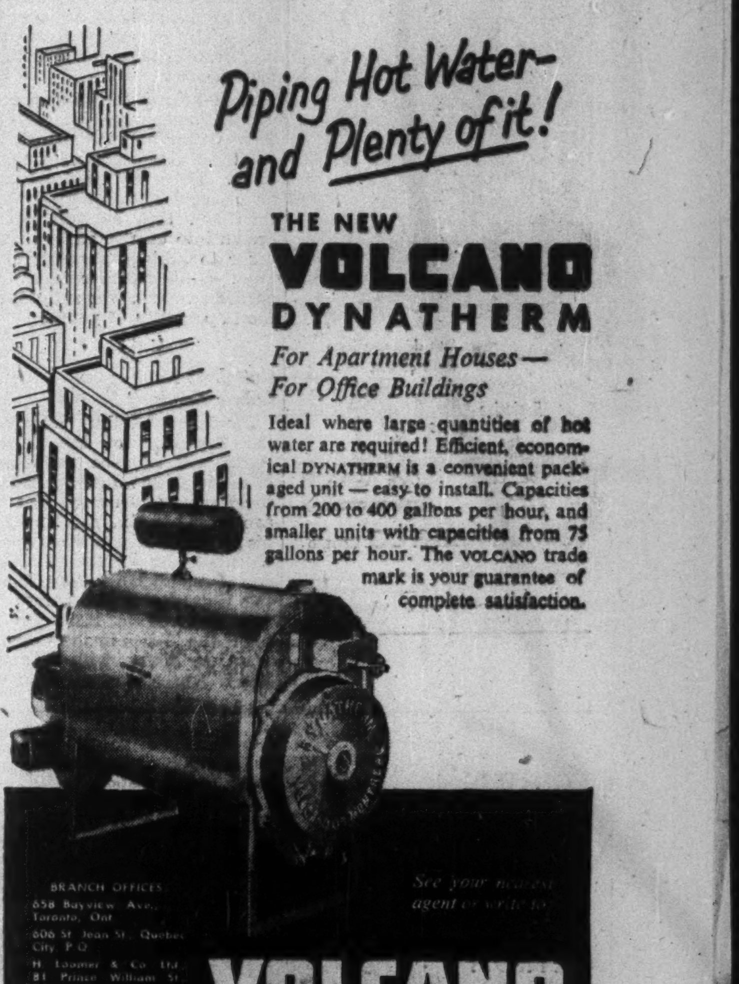

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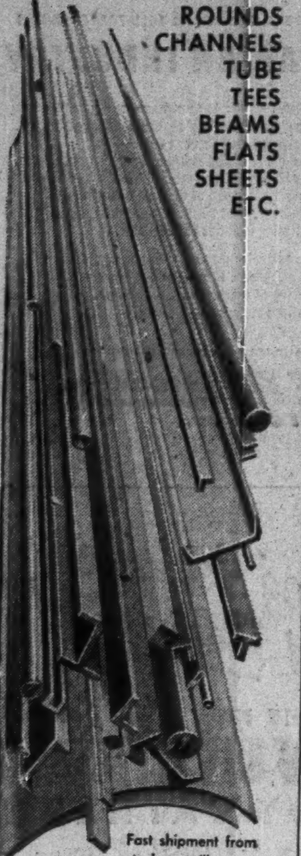

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LETTER FROM LONDON **By Adelphi**

'54 Election Prospects Fading

Tories Slip In Public Eye, Socialists Gain

LONDON—The prospects of a general election this year are fading. One of the oldest bromides is that a Government must not merely do well but must also appear to be doing well. That is the problem which faces the Tories. They are steadily strengthening the country's financial and economic condition but, in the process, they have shown a positive genius for irritating large sections of the public.

An election six months ago would probably have resulted in a Tory majority of 35 or 40. An election now might show a Socialist victory of 10 or 12.

One of the odd aspects is that while Churchill's popularity is declining for the simple reason that he will not declare his intentions, Attlee's popularity is rising. He is so unassuming, so undynamic, so incapable of an immortal phrase and so utterly decent that the people have taken him to their hearts.

Then he has the immense advantage of being in his early 70s There is nothing the British like and trust so much as a septuagenarian. They feel that he must have acquired wisdom by that time and that he will not be drawn into unwise adventures in order to achieve personal glory. Eden in his late 50s is still regarded as a man who suffers from the impetuosity of youth.

* * *

Gaitskell Next Labor Leader?

The death of Arthur Greenwood, the Treasurer of the Socialist Party will advance the chances of Gaitskell as a future Leader of the Party. Greenwood had long ago ceased to be a challenger but his influence remained strong. Incidentally, he was the acting Leader of the Socialist Opposition on the Saturday night before war was declared in 1939. On that night the Tories in the Commons were so angry with Chamberlain's apparent vacillation that they shouted to Greenwood: "Speak for England!"

But Greenwood, who knew that Chamberlain was hourly trying to induce the French Government to declare war along with Britain, refused to plunge the knife.

With Greenwood gone, with Herbert Morrison tired out, and with Aneurin Bevan out of favor it looks more and more as if Gaitskell will inherit the Socialist crown when Attlee gives it up.

In the meantime Churchill and Attlee show no immediate signs of abdication. But Britain—and history—can wait.

* * *

London A Circus And Vast Theatre

Recently in this column I mentioned the fact that London at this time of the year changes into a mixture of a circus and a vast theatre. You can take your choice between the Royal Military Tournament with cavalry and artillery doing their stuff, or you can go to Ascot and gaze at grey toppers, or at pretty women who are far more interested in each other's hats than in the racing.

Or you can go to Hyde Park and hear the tub thumpers denounce the Royal Family as an undemocratic survival of a feudal past. If that offends your susceptibilities you can watch the Changing of the Guard at Buckingham Palace.

Then there are the Houses of Parliament. If you know any of the Canadian born M.P.s—there are four of five of them—all you have to do is to write them a letter and say that you want four good seats for a day when Sir Winston Churchill is speaking. Don't be put off by the fact that the poor devils do not always know when Churchill will speak, and that by rotation they get two vouchers for seats every 10 days.

* * *

Military Spectacle On Queen's 'Birthday'

However, as your London Correspondent I went on the Queen's official birthday to the Trooping of the Colour. It is not, of course, Her Majesty's birthday at all, but the English have a genius for compromise. They have decreed that the public celebration of the Sovereign's birthday shall be on the second Thursday in June. What the Sovereign does on the real birthday is entirely up to her or him.

It was a real English June day when the Brigade of Guards performed the terrific military spectacle which is preceded by weeks of training. When I say that it was a real English June day I mean that it threatened snow early in the morning, that it then changed its mind and decided to rain, and just as the Queen arrived on her horse the skies cleared and we had midsummer sunshine.

Everything was so perfectly drilled that even the stretcher bearers, carrying people who had fainted, marched in perfect rhythm. This time, however, not a single Guardsman fainted. Perhaps this was because the Brigade had announced that fainting on Parade would be considered a military crime and dealt with as such.

It is a wonderful spectacle but the bandmasters of the Brigade ought to call in and consult Sir Thomas Beecham or Sir Malcolm Sargent or Sir Ernest Macmillan about improving the choice of military marches. "The British Grenadiers" is a piece of genius in its ways. It would stir the pulses of a chartered accountant, and is, of course, the official March of the Grenadiers. The Coldstream also have a first class march. But the ordinary military marches which are used for the various movements required in the ceremony are banal beyond description.

Why not Wagner's March of the Meistersingers? Why not Bizet's entrance of the picadors in "Carmen"? I am afraid that nothing can change the Brigade on the musical front. The squares at Waterloo were not more obstinate.

Churchill Issued Last Honors List?

It may be that the Honors List which is always issued on the Queen's official Birthday will be the last that will include Sir Winston Churchill's list. There must have been many disappointed M.P.s when they found that only three of their number had been given titles.

Of course, when Churchill resigns, he will have the right to issue a resignation Honors List but, by tradition, it is very short. The reason for that is obvious. If the resignation is voluntary then the out-going Prime Minister does not want to embarrass his successor by honoring M.P.s for whom the new Prime Minister has little regard.

Or if the Prime Minister resigns because he is defeated at the polls his resignation list must be as brief as possible because he no longer commands the confidence of the country. In Canada, of course, the Prime Minister has no such embarrassments.

ANNOUNCEMENT

KRAFT FOODS LIMITED APPOINTMENTS

ARMAND H. MATHIEU

PAUL KATIEN

TOM COOPER

EARDLEY WRIGHT

Mr. H. J. Henderson, President and General Manager of Kraft Foods Limited, Montreal, announces that at the Annual Meeting of the company held recently, Messrs. A. H. Mathieu, P. J. Katien, T. B. Cooper and F. E. Wright were named Vice-Presidents. Each of the new Vice-Presidents are operating officials of the company.

Armand H. Mathieu is General Sales Manager and has had 26 years' experience in food merchandising with the company and its distributors.

Paul Katien, Production Manager, is responsible for all production, including the company's three principal plants in Montreal, Toronto and Vancouver.

Tom Cooper, Quality Control Manager, has had a long record of experience with the company in sales, production and quality control work.

Eardley Wright, Cheese Procurement Manager, is responsible for all bulk cheese buying operations and has had extensive experience with this phase of the cheese industry.

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- FIREPROOF

NORTON HOTELS

NORTON PALMER HOTEL WINDSOR, ONTARIO

NORTON HOTEL Griswold at Jefferson DETROIT, MICH.

LOWEST MAXIMUM RATES

PRESTON D. NORTON, President and Managing Director

John Price Jones Control Changes

MONTREAL (Staff) — Controlling interest in John Price Jones Co. (Canada) Ltd. has been acquired by George A. Brakeley, Jr. and associates.

The company has pioneered the business of institutional fund raising in this country, has been associated in campaigns involving over $138 millions in the past your years. The firm now becomes the only Canadian-owned member of the American Association of Fund Raising Counsels.

Mr. Brakeley, who was the Canadian president of the John Price Jones Ltd., New York, Canadian subsidiary, remains president in the control switch, while John Price Jones remains chairman of the board. W. C. Banta has been named vice-president.

Horton Steel Plans Major Alta. Plant

From Our Own Correspondent

LETHBRIDGE—After negotiations extending over a year plans are now definitely under way for a branch plant here of a leading Eastern Canada steel fabricating firm, Horton Steel Works Ltd., of Toronto and Fort Erie, Ont., affiliate of Chicago Bridge & Iron Co.

This was revealed when the Lethbridge City Council recently approved the sale of a tract of 36.5 acres of land in the North Lethbridge industrial zone to Horton Steel at a price of $30,000.

Initial expenditure of the company in land and plant will be about $450,000; $150,000 must be spent in construction within one year of the sale of the property.

The $450,000 outlay is only the beginning of a possible investment here by the steel-fabricating firm of around $2 millions. Arrangements for bringing this plant to Lethbridge were made by the city's industrial commissioner S. R. Lamb, who closed the deal with company officials in the East. The last snag, that of taxation, was finally overcome.

The company is planning manufacture of all kinds of plate steel products, pressure tanks for oil, natural gas and propane industries and tanks and structures for municipal waterworks.

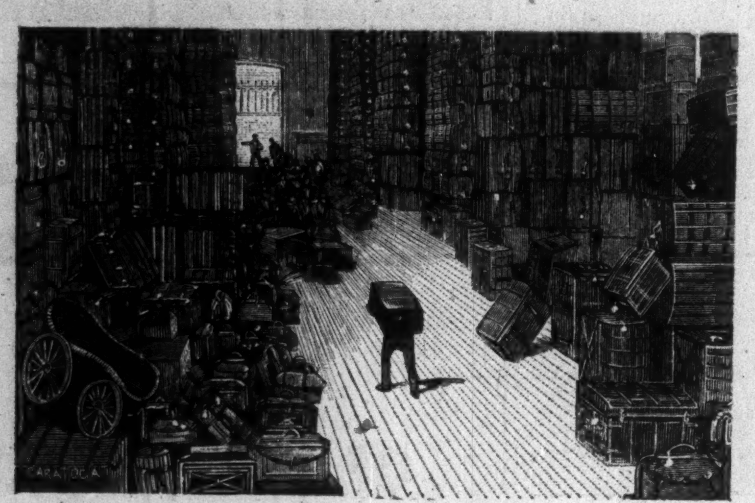
The rapidly expanding market in the West for these products and the opening up of the vast wet gas field of Pincher Creek, source of much of the gas to be piped to Eastern Canada, are thought to have impressed the company. Oil and gas expansion and the growth of the petrochemical and other industries are said to have figured in the decision.

BOOKS FOR BUSINESSMEN

BUT WE WERE BORN FREE, by Elmer Davis; McClelland & Stewart, Toronto; 229 p.; $3.25.

The noted U. S. commentator dedicates his book to Ernst Reuter, latest mayor of Berlin, "a fighter for freedom whom nobody ever scared." Elmer Davis is himself something of a fighter, and here are printed six of his pungent speeches on freedom—and accuracy—in thought and writing.

Says Davis: "I do not think Stalin could have licked us; I do not think whoever now may be running Russia can lick us. But McCarthy and the spirit of McCarthyism could lick us — no doubt without intention, but they could—by getting us to fighting among ourselves like the Romans, by persuading every man that he must keep on looking over his shoulder, to make sure that the man beside him doesn't stab in the back. There is still enough vitality in Western civilization to save us, unless we insist on disemboweling ourselves."



Who wants "The Good Old Days"

when today's jobs are so much easier?

Many regard "The Good Old Days" with nostalgic affection, but more will recall them only as days filled with endless, back-breaking jobs.

Fortunately, times have changed! Today *mechanized* handling equipment lifts, stacks and moves industry's loads. Thanks to YALE Industrial Trucks and Hoists, valuable manpower can now be released for more productive assignments.

But, choosing YALE to cut costs and speed production is not a new decision for progressive management! Since 1875, YALE equipment has been hard at work in plants, warehouses and terminals everywhere. And today, YALE meets industry's demands with the most complete line of materials handling equipment available: Hand and Electric Hoists to 80,000 lbs. . . . Industrial Trucks with fuels and attachments for *every* job, in capacities up to 100,000 lbs.

It's easy to own, operate and maintain YALE equipment. Full information is yours without obligation...write Yale & Towne Mfg. Co., St. Catharines, Ontario, Canada, Dept. 776.

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THE SECRET OF TS'AI LUN

From its very beginning, Paper was the product of Research.

Ts'ai Lun, an ancient Chinese scholar, labored and experimented for 30 years to create the first paper known to man (about 105 A.D.). For 600 years his secret lay hidden behind the walls of China.

Today, 18 centuries after Ts'ai Lun, research is still the key to paper's progress. But, beyond perfecting paper itself, our research now strives to create useful materials out of even our *waste products.*

We have made some progress. At Crown Zellerbach research laboratories, *industrial chemicals* are being made from residues of the pulping process, and elements, hitherto unused, of our basic raw material, wood.

Ts'ai Lun's secret changed our world . . . but tomorrow's research may carry it to frontiers as yet undreamed.

THE INSTITUTE OF PAPER CHEMISTRY, a research center maintained by the Pulp and Paper Industry, celebrates its 25th Anniversary in 1954. Its many accomplishments supplement the research which Crown Zellerbach and others pursue independently.

CROWN ZELLERBACH

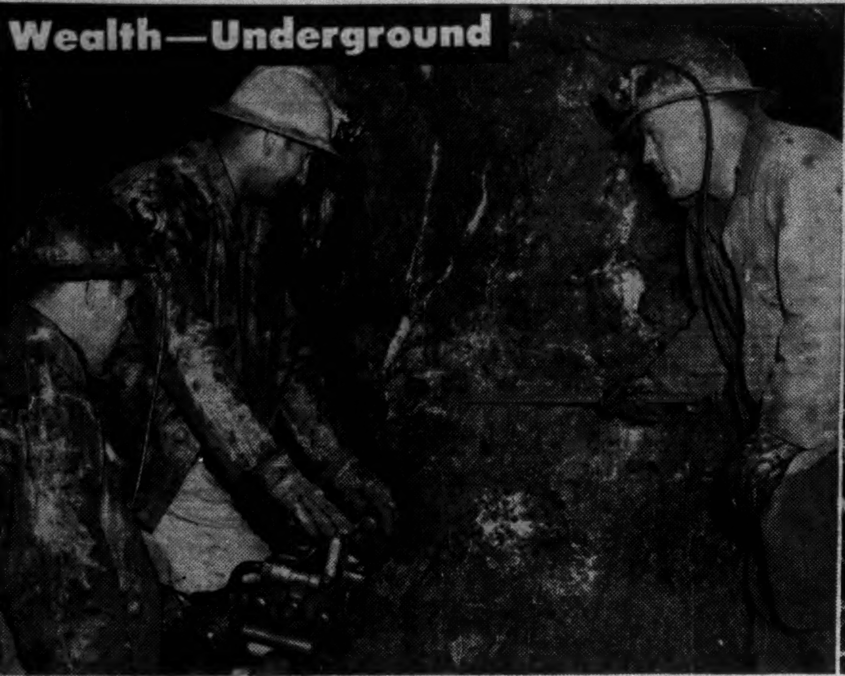
PAPER AND PAPER PRODUCTS SINCE 1870

San Francisco 19

The Financial Post

Vol. XLVIII | Member of Audit Bureau of Circulations | Publication Office: Toronto, June 19, 1954 | Twenty Cents an issue, Six Dollars a Year | No. 25

They're Finding New Bounty In Their Own Backyard



. . . From the Sea

. . . In Farm Specialization

How Broad Maritime Attack On Resources Becoming Optimistic Inventory of Untapped Riches

By KENNETH F. WHITE

Ever since men like Cartier, Gray, Tupper, Tucker and Sir John A. clustered at the historic legislative building in Charlottetown in 1864, the Maritime Provinces have looked upland with some apprehension — perhaps some envy — as new sister provinces extended borders north into fat hinterlands, tapped new underground riches, grew in population and industrial might.

Now, the Maritimes are taking honest stock of what's at home. What they are finding is making them less envious and more cognizant of the long-overlooked wealth in their own back yard.

What started out a scant year or two ago to be a resources assessment, perhaps spurred by the multiphase boom to the west, has become an impressive Maritime inventory.

It's an inventory that is just getting started and new entries so far suggest it has a long way to go. Canada's oldest settled lands are as young as any, younger than some, in finding out about their natural bounty and putting it to work.

The sea, for instance, has become an unbounded "hinterland" for the Maritimes. Research is leading to new products from the sea, to a better understanding of what it can yield and where to look for it. New methods afloat and ashore are meaning richer and more reliable harvests from this unbounded, renewable Maritime resource.

The Wealth Underground

The big search underground — unprecedented in scope in Maritime history — is creating an element of surprise as well as satisfaction. It's becoming less and less fashionable for the dwindling something-for-nothing-brigade to suggest the Maritimes were dealt few aces in the Confederation shuffle.

The lack of cheap electric power, perhaps the biggest single trammel in the past on Maritime industrial growth, is receding more and more as a problem with new hydro and cheaper steam power developments.

Perking in the Maritime agricultural pot are fresh developments leading to more processing at home — more dollars for Prince Edward Island, New Brunswick and Nova Scotia — and more diversification in the fields — less susceptibility to the vagaries of weather aand markets.

With it all, the Maritimes have another ace card of not-so-evident but growing importance. Human relations in industry is a young science and one that is going to grow as an important arm of production stability, quality control and market planning. Diversification of industry has taken hold.

The Maritime Provinces offer industry a stable labor supply, unbounded recreation facilities close at hand and a host of amenities for day to day living and working.

There is already concrete evidence of recognition of this from industry that has shifted branch plants to the Maritimes. They'll tell you why they came and talk at great length about the happy results they're getting, but they don't want to shout about it — yet.

A Spirit Of Optimism

Accompanying the Maritimes' progressive inventory of resources and major new construction to go along with it, is a fresh optimism on the east coast this year, clearly evident in the streets and in the business offices and in sharp contrast to the pessimism associated with the Maritimes of recent years.

New Brunswick leads the country in percentage increase in new capital investment forecast for 1954, with a 19% boost over 1953. Nova Scotia is right behind with capital investment increase this year over 1953 of 15%. Prince Edward Island capital investment intentions are up 6%. The breakdowns: New Brunswick, $121 millions; Nova Scotia, $176 millions; Prince Edward Island, $18 millions.

To go along with the new widespread spirit of optimism, Maritime cities and towns are getting a facelifting.

This is the way one highly-placed Maritime government official put it: "Canadians who haven't visited us for ten, even five years won't recognize the Maritimes now."

There's more than spring behind the clean up, paint up, spruce up atmosphere. Besides new industrial construction, big Central Canada retail and service industries have been quick to recognize that with the entrance of Newfoundland, the Maritimes is a fat market represented by some two million people and that the region is becoming a closely knit economic unit.

And as big chain organizations move in or rebuild, local businessmen are taking their expansion, modernization cue.

Moncton, now established as the Maritime distribution centre, gives good indication of what's under way. Their trade and industry growth list reads like a who's who in Canadian business. Some of them:

New in the past two years, with new buildings: Chrysler Corp. of Canada, John Deere Ltd., Loudee Steel Corp.

Existing facilities expanded or being expanded: B. A. Oil, Canadian Oil Cos., Crane Ltd., General Motors, Swift-Canadian, T. Eaton Co., Irving Oil, Kraft Foods, Marven's Ltd. Firestone Tire, Massey-Harris.

There are scores of other expansions under way or planned at Moncton. Elsewhere there's plenty of indication of how Canadian business is assessing the present and future of this revitilized area.

Eaton's is building a major new outlet at Charlottetown. Simpsons-Sears is building at Halifax and Saint John. Dominion Stores will complete an ultra-modern $300,000 store in Halifax this year; Henry Birks a $200,000 store in the same city. Modern new banks and office buildings are keeping pace.

Building permits for the first four months of the year in Halifax alone totaled $1.4 millions.

These are indications. Let's take a look at major confirmations: Bathurst, Imperial's oil refinery plans, Camp Gagetown, major moves under way, planned or possible in primary production.

For Oil: $30 Millions

Imperial Oil's big refinery and storage facilities on the Dartmouth shore at Halifax are going to get a major $25-$30 million face-lifting. Imperial, with construction scheduled to start early in 1955, will replace most of its existing Dartmouth plant with a new refinery with almost double the existing capacity to serve the growing Maritime market.

Present capacity at "Imperoyal" is 22,000 bbl. per day. That will be boosted to 41,625 b/d, or about 1.5 million gallons per day. It will be the largest single refinery construction project ever undertaken in Canada and one of the major construction projects in the history of the Maritimes.

Some of the new equipment to be installed and in operation by the summer of 1956: one of the largest cat crackers in Canada, with a 27,000-b/d capacity; an atmospheric and distillation unit; a catalytic polymerization unit; a naptha specialty plant; a gas recovery plant; a treating plant.

At present, Imperial Oil has a plush, modern, close to three-quarter-million-dollar office building nearing completion in Halifax.

Irving Oil has recently completed new storage installations in Dartmouth and is currently at work on new dock facilities on the Dartmouth shore. And Irving could go ahead with multi-million refinery construction on its Dartmouth site.

"A refinery has been on our minds for a long time," K. C. Irving told The Post. "The plans have been drawn for a long time, but we've thus far never built it."

In six to eight months, Irving Oil could announce plans that would give the Maritime its second major refinery.

What They're Doing at Bathurst

The future of New Brunswick as a mining great is assured. At Bathurst base metals camp, the M. J. Boylen interests will spend $3,250,000 this year to get at least three new mines ready for production.

The biggest, Brunswick Mining & Smelting Corp., drawing on the famed Austin-Brook and Anacon deposits of over 50 million tons of lead-zinc-copper-silver ore (which has been valued "in the ground" at $1.3 billion) has plans for a 4,000-ton on-site concentrator initially. Construction will start this summer on a $200,000-$500,000 pilot mill to establish design and flow sheet for this concentrator.

New Larder U is sinking a shaft on its property 14 miles south of Bathurst, which contains "between one and two million" tons of ore. Planned expenditure: $750,000. Planned production: 1,000 tons per day. This ore could be custom milled at the new Brunswick mill.

Keymet has a $500,000, 200-ton mill under construction, replacing the new mill of like size recently destroyed by fire. Keymet should be producing within six months.

While many other major mining firms have important strikes in the Bathurst area, the big boom from the Bathurst discoveries may be that attention of the mining world is focused on New Brunswick for the first time. Iron, coal, some oil has long been associated with New Brunswick, but not base metals. The results: a Canadian record smashing staking rush during 1953 and for the immediate future, concentrated exploration west and south of the Bathurst area.

Nova Scotia is also getting blanket exploration. An aero-magnetic and Scintillometer survey has been done on some 15,000 square miles out of a total of 21,000 square miles. Ground parties will follow up in a widespread, determined effort to find out for the first time what's underground throughout Nova Scotia. Even Cape Breton National Park is getting the treatment. Two federal geological parties will search it for minerals this summer.

A long list of mining companies and individuals have been granted a total of 33 "closures" in Nova Scotia, which give exploration rights in return for assurances of detailed exploration.

Meanwhile in Nova Scotia, National Gypsum Co. is spending $6 millions to develop what is believed to be the largest single commercially pure gypsum deposit in North America. The company plans an annual output of 1.5 million tons by 1955 on property some 30 miles north of Halifax. In Pembroke County barytes production, from one of the largest barytes deposits in the world, is becoming more and more important in Nova Scotia.

Bright Hopes For Oil Shale

Back in New Brunswick, Nashwaak Corp. of Canada has just announced plans that could lead to utilization of a formerly little-regarded New Brunswick resource: oil shale. It plans to use the oil shale as fuel for the production of cheap electric power—claimed cheaper than hydro because of the low capital investment needed — and two important byproducts: alumina and potash.

For New Brunswick this could mean a new source of badly needed cheap power (which would be sold to the New Brunswick Electric Power Commission) and birth of a major new metallurgical-chemical industry.

For the present, biggest electric power news in the Maritimes is being made by plans for harnessing of the St. John River potential in the province of close to 400,000 hp. Initial work is under way and over $1 million has been spent on the Beechwood site, a $45-million development with an ultimate installed capacity of 135,000 hp. Plans for a start on actual construction are still waiting financing arrangements, but the NBEPC is confident it can keep ahead of major new demands for power, such as Bathurst.

The Army Moving In

Just south of Fredericton in New Brunswick — and continuing south almost to Saint John — a major new "industry" is being built: the Army's Camp Gagetown. It's going to be a $1-million-dollar-a-month industry, $12 millions a year, or almost equal to the province's tourist industry.

It's expected Ottawa will spend between $50-$60 millions to complete the camp by the end of 1956. Some 500 men are at work in clearing and construction now, peak labor force should be around 1,000.

At its northern end, the huge camp starts at the small community of Oromocto, 12 miles south of Fredericton. The major barrack and housing construction will be located in this area, meaning boom retail trade for Fredericton.

The Canadian Army plans to move in personnel as sections of the camp are completed. Training contingents are now in tents at the southern end of the area, some 16-20 miles north of Saint John. Permanent influx, including civilians and wives will probably be in the neighborhood of 6,000, while peak Camp Gagetown populations could exceed the 16,000 population of Fredericton proper.

For their oldest and still one of the most important industries, the fisheries, the Maritimes are well along the road toward modernization of equipment and methods. Urged and aided by governments, east coast fishermen are exchanging old methods for new and reaping richer rewards.

Basically, the new approach to fishing involves lower unit costs for catching and higher unit returns for the end product through modern processing. Horse and buggy methods are being beached.

At the same time, the program is meaning less emphasis and reliance in some areas on one product, e.g. lobsters. Each province has a well-defined program of aid, but each is distinctive to the needs and financial ability of local fishermen. To help the fishermen scrap old two-man dory and hand-line methods for modern electronically-equipped diesel draggers and trawls, Ottawa grants a subsidy of $165 per gross ton on approved boats. The provinces require an "equity" of 30% in the 60-ft. $40,000 boats from the fishermen and loan the rest on low-interest, easy payment schemes.

The net result is a streamlined, specifically designed, modern and still growing fishery fleet on the east coast.

To go along with the new look at sea, provincial governments and Ottawa are providing the fishing know-how and sponsoring streamlined methods ashore — cold storage, fresh and fresh frozen fish filleting plants. Take in modern refrigerated transport and sales-sharp packaging methods and you've got the reason for a revitalized east coast fishery.

Fisheries Get A Market Boom

One major development last year was described to The Post as "the biggest thing that has hit the fish business for a long, long time." That was the relatively simple fish stick—ground fish fillets, precooked, packaged and refrozen ready for heating and serving. The fish sticks have swept the U. S. and are making big inroads into the Canadian market, with the net result that "the only limiting factor so far has been, the ability to produce."

If with the aid of fish sticks and other products, the fisheries can raise Canadian consumption of fish by only 1 lb. per capita per year, it's felt future marketing problems will be solved.

An important part of Maritime "stock taking" as a peg for future growth is employment by Nova Scotia of Arthur D. Little Inc., Cambridge, Mass., one of the oldest and most diversified technical consulting firms in North America, to make a thorough economic review and recommendations on general matters of development for the province.

Preliminary work is under way and will occupy about a year. Retention of the firm is described by the Department of Trade and Industry as "probably the most significant step in industrial promotion that the province has taken since formation of the department in 1939."

What has been probably the biggest single industrial expansion program in Nova Scotia's history is now just about completed: Dominion Steel & Coal's $53 million steel-coal expansion and modernization program in Cape Breton Island, part of the ten-year $70 million program of the Dosco empire.

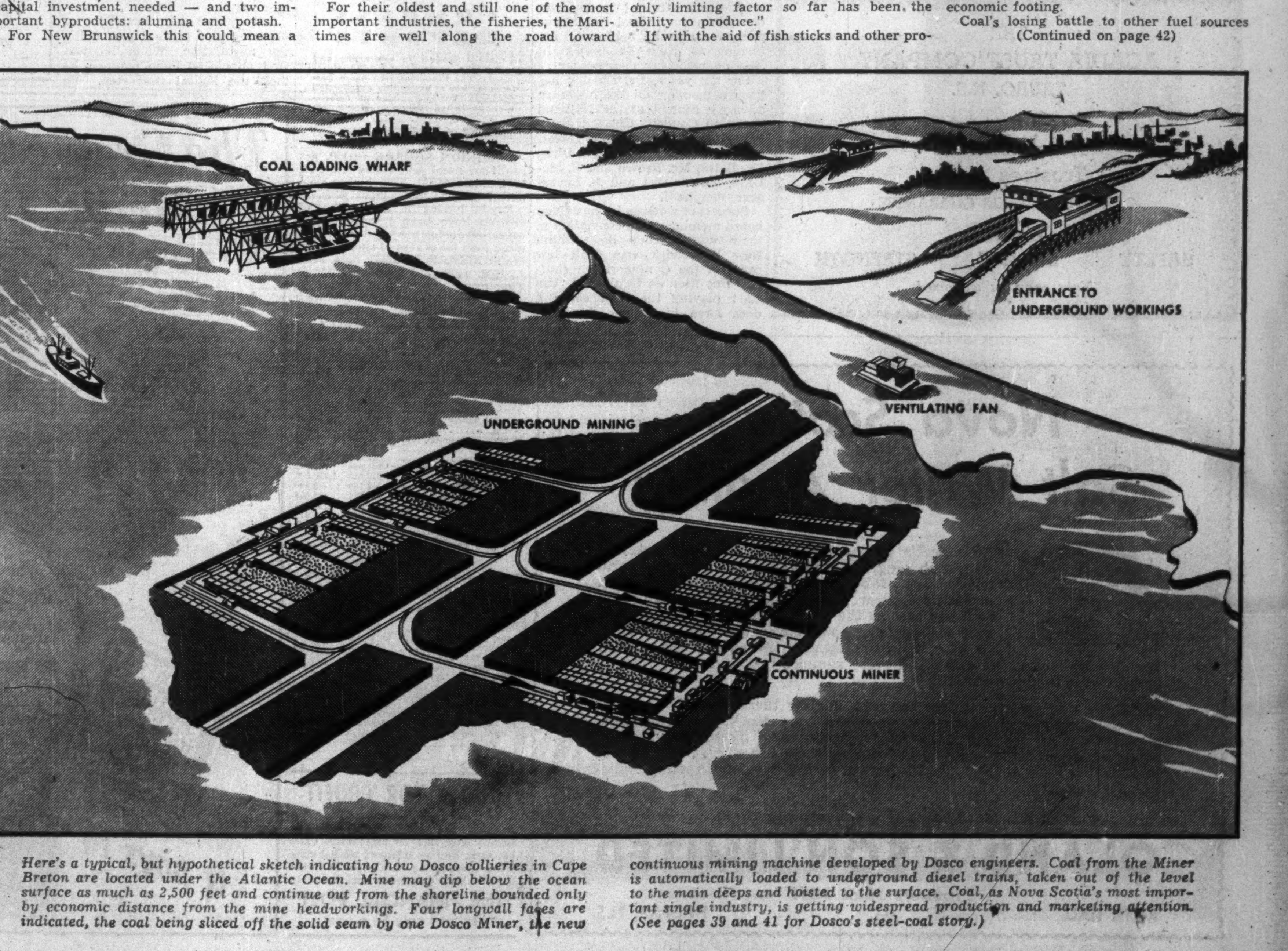
Its importance to Nova Scotia is self-evident: Dosco pays some $55 millions a year in salaries and wages in Nova Scotia. At the steel mill (Dominion Steel & Iron) at Sydney, capacity has been boosted from 565,000 tons a year to 720,000 tons a year in the new blooming mill; a new 53-oven coking plant has been installed; a new rail finishing mill, described as the most modern rail finishing mill in the world; and a new nail galvanizing unit. Other segments of Dosco's postwar steel program boost the bill for steel modernization and expansion to $40 millions.

The Big Moves In Coal

Dosco's coal subsidiary, Dominion Coal Co. at Sydney, Sydney Mines, New Waterford and Glace Bay is making prodigious effort to put Nova Scotia's coal industry on a sound economic footing.

Coal's losing battle to other fuel sources

(Continued on page 42)



Here's a typical, but hypothetical sketch indicating how Dosco collieries in Cape Breton are located under the Atlantic Ocean. Mine may dip below the ocean surface as much as 2,500 feet and continue out from the shoreline bounded only by economic distance from the mine headworkings. Four longwall faces are indicated, the coal being sliced off the solid seam by one Dosco Miner, the new continuous mining machine developed by Dosco engineers. Coal from the Miner is automatically loaded to underground diesel trains, taken out of the level to the main deeps and hoisted to the surface. Coal, as Nova Scotia's most important single industry, is getting widespread production and marketing attention. (See pages 39 and 41 for Dosco's steel-coal story.)

'Mr. Resources' Looks At N.B.'s Potential

New Brunswick has been taking a long look at natural potential and is "amazed" at what's been found. They're still looking and finding lots to get excited about.

Back in 1944, Senator F. W. Pirie, then N. B. Minister of Lands and Mines, and Dr. John S. Bates, now an engineering consultant in Montreal, saw a need to supplement what was being done by individual government departments in the broad attack on natural resources. They spearheaded formation of the New Brunswick Resources Development Board and called in Dr. H. J. Rowley, a native New Brunswicker and then director of operations (production) for Allied War Supplies Corp. at Montreal, to take over chairmanship of the new board.

The board's job was to look at all provincial resources that could be further developed and supply the technical knowledge needed to get things started. That meant freedom to move into virtually any field and freedom to call in outside specialists as needed.

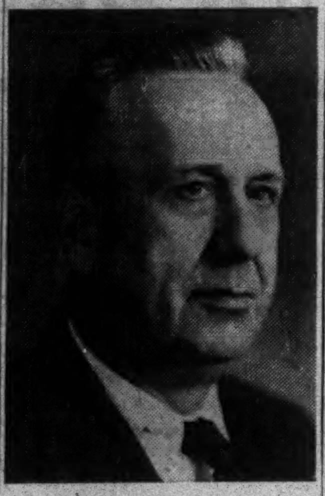
Preliminary studies in 1944 soon dictated what direction initial work would have to take.

"We soon found out that a few fundamental things were far, far more important than anything else—power, minerals—things in which there was very little interest at the time because they were thought to be non-existent," Dr. Rowley told The Post.

Map Out Program

The board, whose members in 1944 were Senator Pirie, Dr. Bates, Col. W. H. Harrison, Senator Percival Burchill and K. B. Brown, provincial forestry engineer, mapped out its program. First on the agenda: hydro.

The board brought in qualified hydro electric power engineers and went to work on the St. John River potential. The two engineers have since decided to stay, are now on staff with the N. B. Electric Power Commission — another "resource" for New Brunswick. The board, according to Dr. Rowley, located the sites, did the engineering work and drilling and surveying to "justify the interest of the International Joint Commission."



DR. ROWLEY

Two of the sites: Tobique, a 27,000 hp. hydro development brought into service last year by the Power Commission; Beechwood, initial 90,000 hp., ultimate 135,000 hp. to be built by the Commission.

"Had the St. John River survey been done earlier, we would have more industry in New Brunswick now," says Dr. Rowley.

When the board completed its province-wide hydro surveys, it moved into the minerals picture. In 1950, the Geological Survey of Canada flew 8,500 square miles of aero-magnetic survey at Ottawa's expense and the N. B. Resources Development Board's request.

Anomalies "popped up" as markers for things that have happened at Bathurst and elsewhere since. In the Bathurst area, iron, which has been mined during both world wars, "sticks right out of the ground." Until the aero-magnetic surveys and subsequent ground work and diamond drilling, it was thought for years that the now famous Bathurst camp contained nothing but iron.

More Magic to Come

In hydro and minerals alone, the board may have justified the faith of men like Senator Pirie, Dr. Bates and Dr. Rowley in their home province. But the board, which has never had more than two experts in the field at a time and operates on a somewhat flexible, but not extensive budget, has more magic up its sleeve.

Scholarly, white-haired Dr. Rowley, N. B.'s Mr. Resources, wants to attack coal as his next project. He's interested in new coal discoveries.

Current N. B. limited New Brunswick coal production, marketed locally, stems from narrow seams that have been known for a long time. The province claims Canada's first coal production—when two schooners from Boston loaded up from outcroppings in 1639. The schooners shifted operations to the Glace Bay region in Nova Scotia shortly after.

"We have been gophering in the indicated seams ever since," says Dr. Rowley. "What we need are thicker seams. We don't know whether we have them, but we have to be optimistic."

Further work for the board: rehabilitation of Marysville, where the more than 600,000 square foot plant of Canadian Cottons has become a ghost plant. It seems Canadian Cottons has shut down Marysville operations permanently, but work is under way in several government agencies toward utilization of all or part of the plant's facilities by other private industry.

Who Chairman Is

Dr. Rowley was born in West Saint John, got an M.A. with honors in chemistry at Mount Allison University; a honors B.Sc. at Queen's in chemical and metallurgical engineering. After two years with Abitibi, he spent two years working toward a Ph.D. in physical chemistry and chemical engineering, initially at M.I.T., Cambridge, Mass., completing it at McGill.

From 1928-32 he was director, research and development, Abitibi Power & Paper; director, research and development, Anglo-Canadian and Anglo-Newfoundland Pulp & Paper Cos. from 1932 to 1940. Dr. Rowley was chairman of the Anglo-Canadian-Anglo - Newfoundland development board when he went into wartime production in 1940, to become director of production operations for Allied War Supplies, the post he held until returning to New Brunswick in 1944 on resources development.

For six years, Dr. Rowley has been a member on the honorary advisory council of the National Research Council. Current members of his N. B. Resources Development Board are Senator Pirie, Dr. Bates, Mr. Brown and E. McLean, industrialist and A. Levasseur, merchant.

Success of work so far has given board members firm conviction in their work. They don't think New Brunswick was dealt low cards in the Confederation shuffle. But they do think N. B. can start playing the high cards it does have to better advantage.

New Bounty In Their Own Backyard

(Continued from page 41)

has been the biggest black spot on Nova Scotia's economy, where some 110,000 people rely on coal for basic economy support. In the big effort to save the industry, Dosco's Continuous Miner is kingpin, the 20-ton, 150 hp machine that does the work of 40 men to cut down unit cost of production.

Dosco has 15 of the big mechanical mining machines at work in collieries around Sydney, hopes to have 25 at work by the end of the year, may eventually put 42 into operation.

The Dosco Miner, together with automatic underground loading and other underground economies, is helping to bring coal into economic range. To help out in the struggle a market drive is under way throughout the Maritimes to get local business, industry and homes to support local industry by using coal as fuel.

While textiles remain depressed in spot locations, the freight rate hurdle probably offers the Maritime area its second stiffest problem. Effect of the Board of Transport Commission's last equalization order (March 1, 1954) is "some reductions, but net increases" in freight rates on Maritime products.

As the bases for a national look at the Maritime freight rate handicap in domestic trade, the Maritime Transportation Commission has called for a detailed study of railway freight rates and their effects on the national economy.

Transportation locally, however, is getting major streamlining. Ottawa has just announced a $1.5 million program to connect Caribou, N.S., with Wood Island, P.E.I. by ferry. The Department of Mines is also spending $3.9 millions to modernize North Sydney terminal facilities.

A $5 million, 300-passenger ferry is being completed at Lauzon, Que., for a Yarmouth, N.S., Bar Habor, Maine, run that should pay handsome dividends to Nova Scotia industry and the Maritime tourist trade. The ferry will also reduce distances from Yarmouth to Central Canada.

Cape Breton Island will get its "anchor" to the mainland of Nova Scotia late this year. The Canso Causeway, still under construction at a total cost of over $20 millions, will eliminate the ferry bottleneck to Cape Breton and should accelerate the island's economy. Construction includes rail and highway location, a rockfill causeway and navigation locks.

Another Maritime transportation "dream" is coming true at Halifax-Dartmouth—the $10.5 million Angus L. Macdonald Bridge, which should be completed in November of this year. Main support piers for the suspension bridge rise sharply up in Halifax Harbor now.

The idea of such a project dates back to 1796. Accelerated growth in both Halifax and Dartmouth of recent years has brought the 68-year-old dream to fruition.

Agriculturally, Prince Edward Island, New Brunswick and Nova Scotia are laying firmer foundations with diversification and increasing local processing of farm production.

Premier Matheson of Prince Edward Island summed the new philosophy up: "We would like to see more processing at home of existing production, rather than shipping products out for processing then buying them back again."

To help things along, P.E.I.'s Government passed a bill at the last session of the Legislature authorizing government assistance, in the form of low-interest loans, to the amount of $500,000 for "the processing of agriculture, horticulture and fishery products."

Things like a new evaporated and powdered milk plant in P. E. I., a new seed industry in N. B. and new cold storage developments and increased poultry and poultry products production in N. S. are helping to spread the base of Maritime farm economy.

New developments across the broad range of Maritime industry, results of continuing research in the fisheries, agriculture and mining, new industry, new discoveries and new products are all backing the new optimism in the Maritimes. With its new growth and even greater growth potential this area is taking with it a built-in stability. It's a happy land now and a land with a cautious, studious approach to growth that suggests it's going to stay happy for many years to come.

How Bustling Saint John Beats The Housing Shortage

Saint John has just completed 288 housing units under the new federal - provincial - municipal scheme and may go right ahead with another 200 units.

If the city does negotiate another 200, it should be clear sailing once the papers are signed. For this city was one of the first communities in Canada to take advantage of the scheme and probably has as much or more experience in its operation than any other city.

For its quick housing and town planning strides, the city can thank youthful, rapid-fire P. R. Fowler, one of three full-time town planners in the Maritimes.

P. R. Fowler is a man who during his eight years' service with the RCAF, which covered World War II, had an idea, worked at it and has lived to see it materialize. And he's a man who likes the Maritimes — like a growing number of Maritimers he's had offers to leave, but prefers to stay.

During the war, he "hit 20 countries," saw the worst and the best in town planning. As a result, a burning interest in the amenities of living grew up within him and he set to work on correspondence courses to equip himself for town planning work following his discharge.

After this wartime study he followed up with International City Managers courses and summer courses at McGill University—the only town planning courses at university level presently available in Canada. Now, he's just 36, is married, has two children, is a member of the Town Planning Institute of Canada, and is making a more and more noticeable mark in the town planning world as town planner for Greater Saint John.

Their Housing Shortage

Fowler is doing all the negotiating with Ottawa for Saint John's flurry into the public housing fame. The city, with a present population of 55,000 (Greater Saint John 81,000) had a wartime influx of thousands, particularly dock workers. The newcomers apparently came to stay and following the war Saint John's housing problem became acute. And immediate postwar, local marriages were running at some 800 a year, against a "norm" of around 500.

In 1942, the city itself built 54 units; 550 units were built by the old Wartime Housing Corp. in Greater Saint John and 386 units in 1949-50-51 by Central Mortgage & Housing. In its first fling under the federal-provincial-municipal setup, Saint John built 88 units, then got going on 200 more in the planned Crescent Valley area in the north end of the city. To date, that area represents an investment of $2 millions.

It's a 60-acre development with all streets confined as residential. They lead onto auxiliary streets which in turn lead to major through routes. There is provision for four churches and a school with 16 acres of ground centrally located, designed as a general recreational focal point as well.

Located within one quarter mile of the development is a 12-acre shopping centre site, on which Simpsons-Sears is planning a department store.

The 288 units are now all complete and all rented, people moving in as fast as the last coat of paint dries. Each unit is individually styled, but all are constructed as four-family duplexes, three and four bedroom.

Rents: $20 to $60. Requirements: two or more children, income between $1,200 and $3,600.

The City of Saint John provided the land and servicing and put up 12½% of the capital cost, the province another 12½% and Ottawa 75%. Any losses must be shared 25% by the city and 75% by Ottawa.

If negotiations proceed for another 200 units in the same area, it "will be designed as redevelopment," says Mr. Fowler.

"Each year we have managed to tear down 25 to 40 slum houses, but so far haven't been able to get a major redevelopment, though we're hitting at the same thing," he says.

New Housing Authority

Public Housing in Saint John now comes under the management of William Hazen, as manager of the Saint John Housing Authority, set up about a year and a half ago by the Provincial Government to administer the new units.

But Fowler still has the job of planning the layouts and doing the negotiation. When he was first appointed town planner, he took the logical first step. He wrote and now administers a zoning bylaw for the entire County of Saint John. Now all building in the County has to be approved by his office.

Saint John, which claims to be Canada's oldest city, has grown up in several directions, like most communities following the lines of least resistance. In the future, its new town planner plans to put "amenities" — his favorite word — first. Meanwhile local traffic authorities are borrowing his time in working toward a street widening project.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

Real Estate

DOMINION SQUARE CORP. net profit for fiscal year ended April 30, 1954, was $224,891, 7.5% higher than net of $209,153 in previous year.

Bonds having a face value of $160,500 have been purchased and cancelled during the fiscal year. This more than takes care of sinking fund requirements to maturity date, July 1, 1959, reports President Andrew Fleming.

The building has been maintained in good condition.

CONDENSED BALANCE SHEET

As at Apr. 30:	1954	1953
Cash	$235,373	$261,961
Accts. rec.*	6,704	3,468
Total curr. assets	242,077	265,429
Invest. in Peel-Windsor Garage	111,205	79,874
Prepd. ins.‡	13,656	5,892
Fixed assets■	2,560,361	2,715,070
Total assets	2,927,199	3,066,265
Accts. pay.	6,992	6,167
Prepd. by tenants	23,692	20,900
Bond int. accr.	34,520	37,730
Inc. tax res.	66,682	83,068
Total curr. liabs.	131,886	147,865
Funded debt	1,726,000	1,886,500
Capital stock	703,500	703,500
Capital surplus	175,741	175,619
Earned surplus	190,072	152,781
*After res. of	970	970
■After deprec. of	1,714,638	1,559,930
‡Incl. in current assets in co's report.		
Working capital	110,191	117,564

INCOME ACCOUNT

Years Ended Apr. 30:	1954	1953
Gross oper. inc.	$1,188,110	$1,186,326
Less:		
Oper. & adm. exp.	324,940	308,703
Munic. taxes	199,365	196,629
Net income	663,805	680,994
Less: Bond int.	69,523	76,771
Deprec.	154,709	162,851
Inc. tax res.	214,682	232,219
Net profit	224,891	209,153
Less: Divds.	187,600	187,600
Surplus	37,291	21,553
Times Interest Earned:		
Before deprec.	9.55	8.87
After deprec.	7.32	6.75
Earnings per Share and Dividend Record:		
Common	$4.80	$4.46
Paid	4.00	4.00

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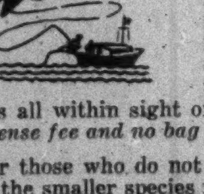

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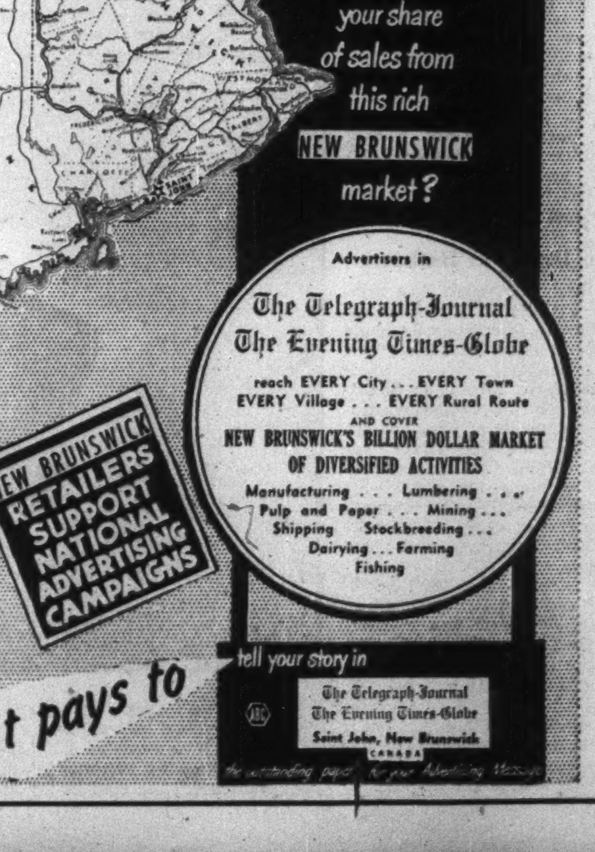
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How Dosco Is Writing Industrial Saga In The Maritimes

Giant Steel-Coal Program Is 'Just About Completed'

Out along the embankments of the long, narrow natural basin of Sydney Harbor you can still see the sleek steel snouts of guns pointing seaward. Sydney served well as a wartime jumping off point for the famed Atlantic convoys.

Ships, loaded with the goods of war, gathered in the basin sometimes as many as 180 at a time, some with a basic ingredient for war and peace: steel.

Sydney was a natural choice for the naval planners. It's one of the world's great naturally sheltered harbors; it has relative proximity to Europe; it's peopled by loyal, hard-working, tight-lipped Cape Bretoners.

And sprawling for 480 acres along the basin are the mighty coking ovens, blast furnaces, blooming, rolling and finishing mills of Dominion Steel & Coal Co., one of Canada's four integrated basic steel plants.

Dosco enjoys the same advantages in peacetime. Shipping plays a big role in its operation—iron ore from its Newfoundland subsidiary, Dominion Wabana Ore Ltd., "black iron ore" from South America. Dosco draws upon Cape Breton for its stable labor supply, in return provides the Maritimes with its biggest single source of wages and salaries.

Last year, the far flung Dosco empire, excluding Dominion Coal Co., paid out $56,963,800 in salaries and wages, another $592,900 in pensions, bought $66.8 millions worth of supplies and materials, paid over $5 millions in provincial and federal taxes, etc. By far, the bulk of that money stays in the Maritime core of Dosco operations.

Dominion Coal Co., solely in Nova Scotia, paid out $29,840,000 in salaries and wages, another $868,549 in pensions.

$70 Million Growth

For the past 10 years, Dosco has been pumping fresh life into Maritime—and the Canadian—economy.

In that period additions to Dosco properties have involved capital expenditures of over $70 millions, most of it for modernization and expansion of the basic steel-coal operations at Sydney (steel) and Sydney Mines, New Waterford and Glace Bay (coal).

Last year the bill for modernization and expansion came to $9,851,825. Capital commitments authorized but not spent at Dec. 31, 1953, totaled $2.8 millions. Thus Dosco is winding up one of the major expansion sagas of Canadian industrial history.

The $40 million program of Sydney subsidiary, Dominion Iron & Steel Ltd. "was pretty well finished last year," Vice-president and General Manager C. M. Anson told The Post.

Here are the major items of recent steel plant modernization:

—A new 53-oven coking plant, completed in August of last year, at a capital cost of $5.5 millions. Dominion Steel & Iron now has a total of 114 efficient ovens in two batteries and now has sufficient coke-oven gas available to operate all steel-reheating and boiler equipment in the steel plant.

—A new $5 millions blooming mill, fully completed in March of last year.

—A new $500,000 rail finishing mill, described as the most modern rail finishing mill in the world. The mill, completed at the end of 1953, has "adequate capacity to finish all the rails the steel plant can roll." Its modern, planned layout and precise rail end milling are key features.

—A new nail galvanizing unit, completed early last year at a cost of $75,000.

—Just installed: a new (Brown-Boveri) turbo blower for the blast furnaces. Cost: $650,000.

The Bloming Mill

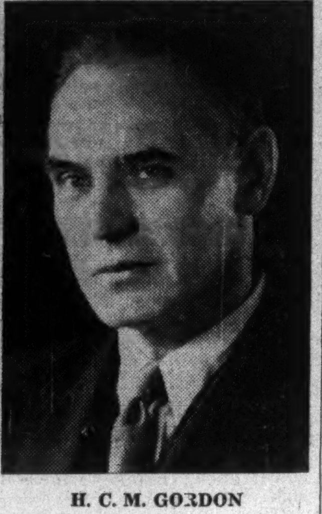
The new blooming mill has complete new soaking pit installations which equip the mill with the most modern ingot reheating method available—using waste gas from the coking operations for heating.

The workers in the "drivers' seat" of the new blooming mill never had it so good. Behind inch-thick plate glass, the blooming mill's two key operators control 7,000 horsepower to push chunky, white-hot, six-ton ingots back and forth through rollers that squeeze the ingot into a long narrow strip of glowing steel.

Comfortably established on foam rubber cushioned seats, they manipulate a series of hand and foot levers that toss the six-ton ingot about with the care and ease that a father hefts a new-born babe. In their "cab" you can get the idea behind the plate glass.

C. M. ANSON

Vice-President and general manager, Dominion Iron & Steel Ltd.



H. C. M. GORDON

Vice-President and general manager, Dominion Coal Co.

They have to see what's happening between the rollers, but don't want to dodge bits of red-hot slag liable to fly back like tracer bullets once the ingot meets the rollers.

As rolling of an ingot nears completion — an operation that can be measured in seconds—the operators push-button signal for another. An overhead crane has one coming up from the soaking pits before the first gets its final roll and shove on up to the billet mill.

Dosco's old blooming mill had a capacity of 565,000 tons of ingot a year. The new mill's capacity is 720,000 tons a year, more than enough to convert the steel making capacity of the plant. The Sydney plant and Dosco subsidiaries now convert and/or fabricate practically all ingot production. Dosco products make a long list:

Iron ore, coal, coke, byproducts of coke (benzol, toluol, zyol, light oil, coal tar, sulphate of ammonia), ingots, blooms, billets, forgings, rails and track fastenings, reinforcing bars, pipe, pipe nipples, bolts, nuts, rivets, mesh and welded fabric, wire, wire rods, screws, bale ties, barbed wire, fencing, nails, shipbuilding and ship repairs, railway freight cars, bridges and towers, steel structures.

Twin Drive Rollers

Strong feature of the new blooming mill ("it's the only one of its kind and turning out very, very successfully," according to burly, sharp-eyed C. M. Anson) is its twin drive. The two sets of rollers on drive shafts at right angles to the direction the ingots travel each have their own giant, 3,500 hp. electric motors. One motor drives the top set, the other the bottom set, with perfect synchronization.

In capacity operation (now 720,000 tons), Dosco's steel plant eats up some 900,000 tons of iron ore and 900,000 tons of coal annually, plus another 400,000 tons of limestone and quantities of scrap steel (about 70% ore to 30% scrap).

Right now, the steel plant is operating at about 66% of capacity and employing 4,283 men. Since Oct. 2, 1953, Dominion Iron & Steel has laid off 1,455, but took back 84 during the spring as a heavy inventory position was worked off.

Said President L. A. Forsyth at Dosco's annual meeting last month:

"Steel operations have declined with us to a level slightly higher than obtains in the United States.

"... There are some indications of improvement in demand which should relieve the situation; but one cannot say that the trend toward better market conditions has as yet developed as rapidly or to such a degree as had been hoped.

"... So far as the Corporation is concerned, I feel that our policy of concentrating upon improved operating efficiency rather than upon expansion of production has been justified, and will enable us to meet unfavorable conditions, marketwise, with greater confidence."

The Sydney steel plant production of steel ingots for 1953 dipped 1.6% below that of 1952. Dosco's net earnings for 1953 were $3,867,715, lower than 1952's net by $330,161. The 1953 profits (after taxes) represented $1.86 per share against $2.02 in 1952.

In the coal operations, both production and sales were down from the preceding year. Production during 1953 of 4,089,011 tons decreased 142,072 tons from a year earlier. Coal sales of Dominion Coal Co. at 3,859,105 net tons were less by 357,244 tons.

The Dosco organization is making prodigious effort to lower unit costs of coal production and to maintain and increase market pipelines (see accompanying article). Great strides are being made.

At the outset of Dosco's multimillion streamlining of coal mining and handling operations "a target of 7.5 million tons a year was our aim," H. C. M. Gordon, vice-president and general manager of Dominion Coal Co. and general manager of the coal division of Dosco, told The Post.

"As late as two years ago, there was no question of how much we could sell, it was a question of producing it," he said. "In other words, we are now looking for markets."

Mr. Gordon stated Dosco's coal mechanization scheme was set up with the aim of big, lower-cost production. "We can't get the full benefits unless we do produce and sell 7.5 million tons a year," he says.

At a recent meeting in Halifax attended by Nova Scotia mayors, reeves, coal producers and business leaders and head-tabled by Dosco President L. A. Forsyth, Federal Mines Minister George Prudham, Cape Breton's Hon. M. A. Patterson, Freeman Jenkins, president, United Mine Workers, District 26, and Iron Fireman Mfrg. Co. of Canada representatives, a send off was given to a broad attack on the potential Maritime coal market.

The campaign was launched with full page newspaper ads pointing out the importance of the Maritimes to the coal industry as good reason for local business, industry and individuals to support it by using coal as fuel.

Saint John Plan Aids, Bids For New Industry

Thanks to the local Board of Trade, the City of Saint John has a unique inducement to new industry to add to its other assets. It's one of the best of all: financial aid.

The Board of Trade set up Industrial Development Corp. Ltd. two years ago and is now "in the build up stage," according to Parker D. Mitchell, who is president of the Saint John Board of Trade and alderman of the suburbian city of Lancaster.

Former secretary of the Board of Trade and industrial commissioner J. R. Dudley left six months ago for a Washington post and the Board has since been searching for a top-flight man to take over. A new appointment is expected soon.

The Corporation, which gets its funds from public-spirited Board of Trade members on a voluntary basis will loan funds to new and local expanding industry which may have difficulty raising capital otherwise, e.g. because of dollar restrictions in the country of origin. So far the firm "has only small sums invested and a guarantee given to one large industry."

Policy of the organization is to keep loans short-term, giving funds as much circulation as possible, Mr. Mitchell told The Post. But there's no hard and fast rule on terms. And interest rates just cover costs.

"We're not out to make money," Mr. Mitchell said. "Those who have invested don't expect to make dividends."

Officers of Industrial Development Corp. besides Mr. Mitchell, who runs a fuel and heating equipment business in Saint John, are vice-president, George Flood, of John Flood & Sons, construction; secretary, John Galbraith, vice-president of the International Longshoremen's Assn. (Independent) of Canada; treasurer, F. C. Mortimer, an insurance broker and past president of the Saint John Board of Trade.

The Corporation has major plans to go out and get new industry and to steer commerce to and through Saint John Port, as well as provide funds to "any industry that needs them."

Last year the City of Lancaster helped fill the regional pot. It sought and got authorization to issue bonds up to $250,000 to assist industry.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

Textiles

LONDON HOSIERY MILLS LTD., London, Ont., net profit for fiscal year ended March 31, 1954, was $2,599, 86.2% less than net of $18,887 for previous year.

Company has not escaped results of the depressed condition of the textile industry, states President and General Manager J. A. McKeeman. Sales volume for the year decreased and in order to obtain sales it was necessary to lower prices, without any corresponding reduction in costs. Labor cost increased by 3%.

Borg Fabrics Ltd., the associate company, has had a profitable year, says the president, and has this year bought machinery to expand operations.

Research on styles is meeting good consumer reaction, but hazard of low-priced foreign merchandise negates this effort, says Mr. McKeeman. Sales in the first three months of this year show an increase over 1953.

INCOME ACCOUNT

Years Ended Mar. 31:	1954	1953
Net earnings	$28,130	$32,342
Less: Deprec.	24,331	18,255
Inc. taxes	1,200	15,200
Net profit	2,599	18,887
Less: Cl. A divds.	27,000	36,000
Com. divds.	......	......
Deficit for year	24,401	17,113
Earnings per Share and Dividend Record:		
Class A	$0.06	$0.42
Paid	0.60	0.80
Common	d0.42	d0.21
Paid	...	...

CONDENSED BALANCE SHEET

As at Mar. 31:	1954	1953
Cash & Dom. bds.	$211,958	$211,180
Accts., etc., rec.	84,966	86,775
Inventories	318,130	280,157
Total curr. assets	615,054	578,112
Prep. exp.‡	10,005	12,509
Invests.	137,297	137,764
Fixed assets*	129,355	137,422
Total assets	891,711	865,807
Bk. overdraft	120,000	60,000
Accts., tax., etc., pay.	50,141	50,543
Divd. pay.	......	9,000
Total curr. liabs.	170,141	119,543
Capital stock	125,000	125,000
Earned surplus	596,570	621,264
*After depr. of	388,510	365,330
‡Incl. in curr. assets in co's report.		
Working capital	444,913	458,569

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Write for interesting booklet "Builders in Steel" which illustrates and describes the Dominion Bridge organization.

Divisions: Structural,
Boiler, Mechanical,
Platework, Warehouse

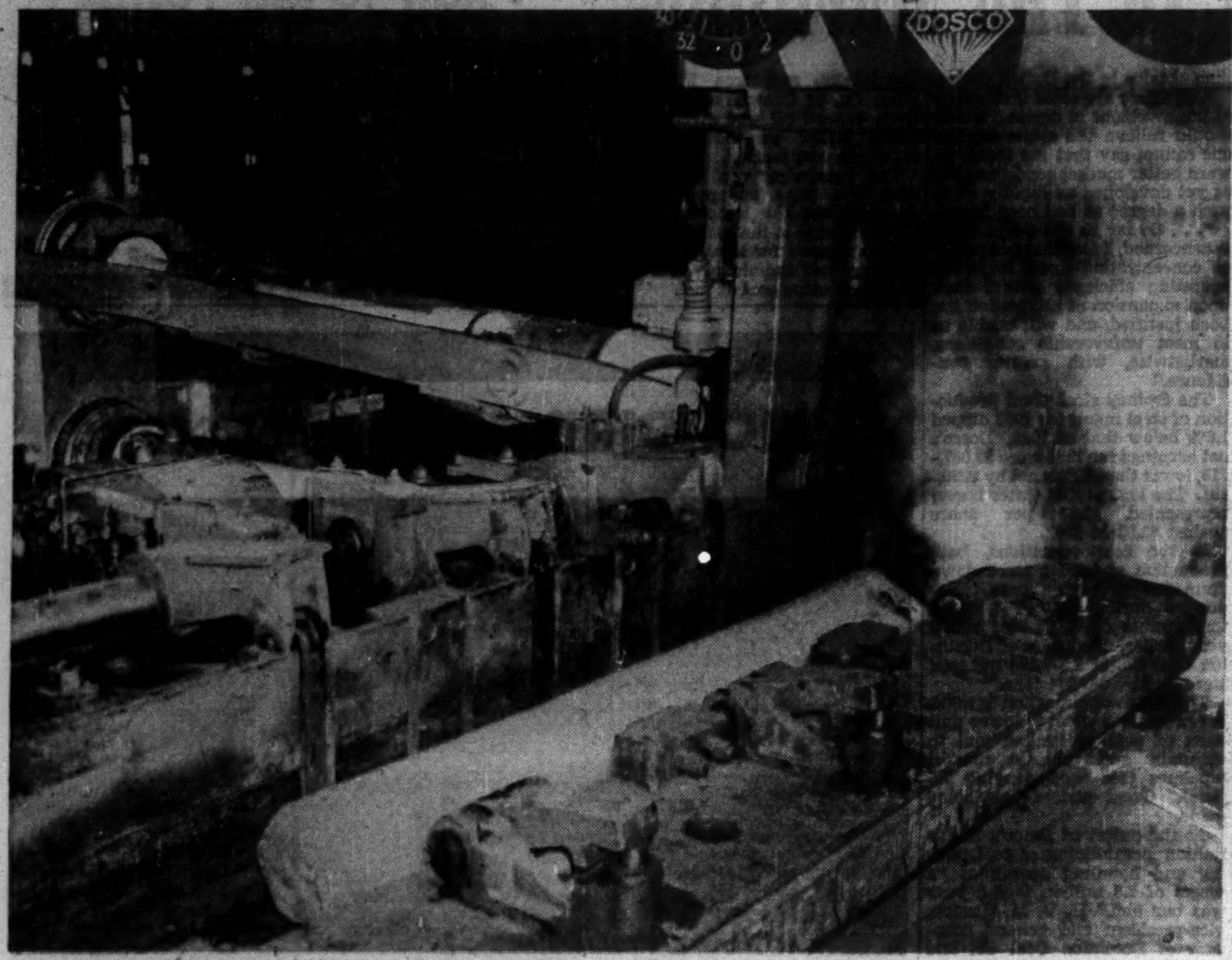
DOMINION BRIDGE

PLANTS THROUGHOUT CANADA

ROBB ENGINEERING WORKS

AMHERST • NOVA SCOTIA

Here's Heart of Dosco's New Blooming Mill



Dosco's new $5 million blooming mill at Sydney, photographed here from the entry side has twin drive—separate 3,500 hp motors for each set of rollers at top and bottom. Mill was one of key phases of Dosco's postwar modernization, expansion program. It has a capacity of 720,000 tons of ingots a year. Centre foreground can be seen red-hot ingot as it starts rolling operation. It will be rolled back and forth between the rollers to a long narrow strip of pure steel.

Record of Maritime Financing Firms

Acadia Trust

Acadia Trust Co. net profit of $43,313 for the year ended Nov. 30, 1953 was 1.8% lower than previous fiscal year's net of $44,124. Earnings were equal to $2.17 ($2.21 the previous year) per share, and dividends $1.90 ($1.90) a share.

Estates, trusts and agencies under administration at Nov. 30, 1953, totaled $10,729,002 ($10,021,647 a year earlier). Guaranteed funds were $1,388,544 ($1,274,953).

Authorized capital is $500,000, of which $200,000 is fully paid up. At fiscal year end, reserve fund was $800,000 ($800,000) and profit and loss fund $120,875 ($115,562).

Central Trust

Central Trust Co., head office Moncton, N.B., has branches in Saint John, Fredericton, Woodstock, N.B., and Amherst, N.S.

Company received a large volume of new business in 1953. A new high for any one year was established in number of new wills and trust agreements, as well as number of accounts and volume of trust business.

Net profit of $37,954 or 97c a share for 1953 was 26.2% higher than 1952 net of $30,081 or 83c per share. At Dec. 31, 1953, total assets were $23,390,241, an increase of $4,626,533 on the year.

Guaranteed funds at year end amounted to $5,059,303 ($4,812,008 a year earlier), and estates, trusts and agency funds $17,712,934 ($13,384,917).

Authorized capital consists of $1,000,000 in $10 par shares. Of this, $348,460 ($315,280) was issued and fully paid, and $42,700 ($47,700) was issued and 50% called, at end of 1953. General reserve was $87,605 ($76,265), reserve for investments $50,000 ($50,000) and profit and loss account $79,413 ($63,945).

Eastern Canada

Eastern Canada Savings & Loan Co., Halifax, makes mortgage loans, issues debentures and accepts deposits. Net profit in 1953 was $169,139, 25% higher than 1952 net of $135,328.

Sale of debentures over the year amounted to $1.3 millions, increasing the total debentures outstanding to $14,301,936 ($13,001,336). Deposits and interest were $2,031,360 ($2,185,930) at year-end.

Assets totaled $18,806,151 ($17,609,938 a year earlier) and included $1,172,433 bonds and $143,191 stocks ($124,731). Total amount of first mortgages now held amounts to $17,350,247, an increase for the year of $1,350,000. The total of bonds and stocks shown at Dec. 31, 1953 was $38,678 below market value.

Capital stock totaled $1,250,000. Reserve fund was $900,000 ($890,000), contingent reserve $170,000 ($140,000) and profit and loss account $76,950 ($73,318).

Eastern Trust

Eastern Trust Co., head office Halifax, has 13 branches from Newfoundland to British Columbia. Net profit for 1953 was $111,870, 5.5% higher than net of $106,010 in 1952.

Costs of operation continued to increase and contributed to a reduction in earnings before deduction of taxes and provision for write-offs and staff pension fund. Revenues from the operation of the Guaranteed Trust Account were reduced due to a substantial rise in interest rates paid on deposits, and only offset partially by income from Canada, provincial and municipal bonds.

Assets under administration reached a new high at $128,318,499 on Dec. 31, 1953 ($125,347,270 a year earlier), Guaranteed deposits were lower but there was an increase of approximately $4 millions in estates, trusts and agencies.

Paid up capital at the year end amounted to $1 million, reserve fund $650,000 and profit and loss account $68,372.

Maritime Trust

Maritime Trust Co., Saint John, N.B. carries on the regular business of a trust company but does not issue guaranteed investment certificates nor accept deposits. Branches are at Charlottetown, P.E.I. and Sackville, N.B., with agencies at Summerside, P.E.I. and Fredericton, N.B.

Company's policy is to invest its own funds only in Government of Canada, provincial and high-grade municipal bonds.

Net profit in 1953 was 1.3% higher at $19,530 than the $19,284 net in 1952. The slight increase in profit was due to reduction in corporate income tax from $14,931 to $7,416. Estates, trusts and agencies account stood at $9,385,665 at Dec. 31, 1953 ($9,169,862 at Dec. 31, 1952). Book value of investments was $290,871 ($282,896) and market value $276,700 ($267,300.)

Maritime Life

Maritime Life Assurance Co. began business in 1924, with head office at Halifax, and has shown consistent growth ever since. At the end of 1953, total business in force was $44 millions, compared with $43.7 millions in 1952, including deferred insurance and group annuities.

New business, again including deferred insurance and group annuities, but excluding group pensions and immediate annuities was just over $4 millions as against $4.2 millions in the previous year.

Number of policies in force was 16,615, an increase of 208 over the 1952 period. In addition there were group pensions providing for annual payments of $59,912, equivalent to $641,118 of life insurance.

Total premium income for the year amounted to $962,966, after deducting re-assurance premiums paid amounting to $205,331. Interest income came to $459,710. Rate of interest realized was 4.83% on the book value of ledger assets.

During the year, death claims incurred and total disability claims paid amounted to $107,857, after deducting re-assurance of $59,967. Mortality experienced for the year was very favorable, company comments.

Total payments actually made to the company's policyholders since the company began now amount to $6.2 millions. Reserves held on company's assurance and annuity contracts amount to $8.6 millions compared with $8.3 millions at Dec. 31, 1952, an increase of 3.2%. Total assets increased by 5.8% to $10.1 millions.

Progress on the new Home office building in Halifax is satisfactory.

NS Savings & Loan

Nova Scotia Savings, Loan and Building Society, Halifax, makes loans on mortgages, issues debentures and accepts deposits.

At Dec. 31, 1953, assets totaled $10,242,974 ($9,589,631 a year earlier) a company record. Included were $9,609,615 ($9,037,473) first mortgage on improved real estate and $523,632 ($461,334) investments in various bonds and bank stocks. Debentures outstanding were $6,903,601 ($6,414,546) and savings deposits amounted to $1,111,968 ($1,009,886).

Share capital was $1,410,330

(Continued on page 47)

Scotian Gold BRAND

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This famous trademark represents top value wherever renowned products of Annapolis Valley orchards are enjoyed—at home and abroad. Graded and packed under strict supervision, Scotian Gold apples are assured the protection of modern refrigeration.

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TELEPHONE EXPANSION CONTINUES IN NEW BRUNSWICK

Now in its ninth year our telephone expansion and improvement program in New Brunswick continues unabated with a planned expenditure in 1954 equal to the more than $3,700,000 invested in 1953.

Since war's end telephones in service have increased 106% to a total of 88,893. During this period all Company exchanges have been enlarged and many new exchanges established to meet the public demand for service in areas not previously served.

Microwave Radio Relay Systems are playing a vital role in our overall program in providing faster, more economical long distance service between isolated and distant points.

THE NEW BRUNSWICK TELEPHONE COMPANY LIMITED

P.E.I. Potato Putsch Fails, Marketing Board Will Remain

CHARLOTTETOWN (Staff) — Hottest issue in Canada's jewel province of recent weeks has been settled.

The issue: whether the Island's famed potatoes would continue to be marketed by a provincial marketing board or go back to the free enterprise system.

The settlement: The marketing board will stay.

A count of 5,140 ballots returned from 6,745 ballots mailed out to potato farmers had 3,282 voting "yes," 1,845 "no" and 13 spoiled.

Potato production and marketing has come to be a complex affair beset with radical price fluctuations, variant year-to-year acreage plantings, federal price support — or "initial payments" — and the whim of the North American consumer.

For Prince Edward Island, where potatoes are the leading product of the leading industry, accounting for over $12 millions in annual provincial income, the foibles of the potato world are of vital importance. After a rough year and rock bottom potato prices, it looks this year as though P.E.I. farmers will not be putting all their eggs into one Pakistani potato sack and that farmers elsewhere will reduce potato acreage.

It's safe to predict then that the Canadian housewife will pay more for her potatoes next fall and winter than she's paying right now.

This year's sagging potato market and agitation in some quarters in Prince Edward Island for disbanding the board, built the issue up into a fiery one in recent weeks. Meetings staged to put the facts before the farmers prior to the vote were heated and attended by as many as 2,000 at a time.

The Board was set up in the fall of 1950 through the P.E.I. Federation of Agriculture at the request of the producers and with the blessing of the Provincial Government with powers to designate the agency to which all P.E.I. potatoes must be sold.

Last year the board was established as a selling agency — the sole potato selling agency in P.E.I. — in an agreement with Ottawa whereby Ottawa guaranteed an initial payment of 45c per bu. With a glut of potatoes on the market, the initial payment price was boosted to 50c a bu. from Dec. 31 to April 1 and from April 1 to the end of this year's shipping season to 55c.

The board continues as the selling agent and licensed P.E.I. potato dealers have been relegated to an assembling and shipping role, but do no marketing.

In 1951 potato acreage was low in the U. S. and Canada after several unprofitable years and the elimination of price support in the U. S. The result: potatoes skyrocketed to $4.70 a bushel in May of 1951. Acreage went sharply up again and prices down to a 1953 market low of 30c.

The marketing board tends to stabilize prices and production.

Champion of the pool marketing cause, Donald A. MacDonald, a potato grower himself and chairman of the P.E.I. Potato Marketing Board thinks the board makes farmers less vulnerable to violent price fluctuations.

"Many Island farmers believe that the board's powers as applied to this year's crop tend to have a stabilizing influence on marketing terms," he told The Post. "And when you realize that potato prices advanced from 60c a bushel in October, 1951, to $4.80 the following May and declined from $2 a bushel in the fall of 1952 to 30c the following April, it is reasonable to assume an average price to all growers would tend to remove some of the gambling aspects."

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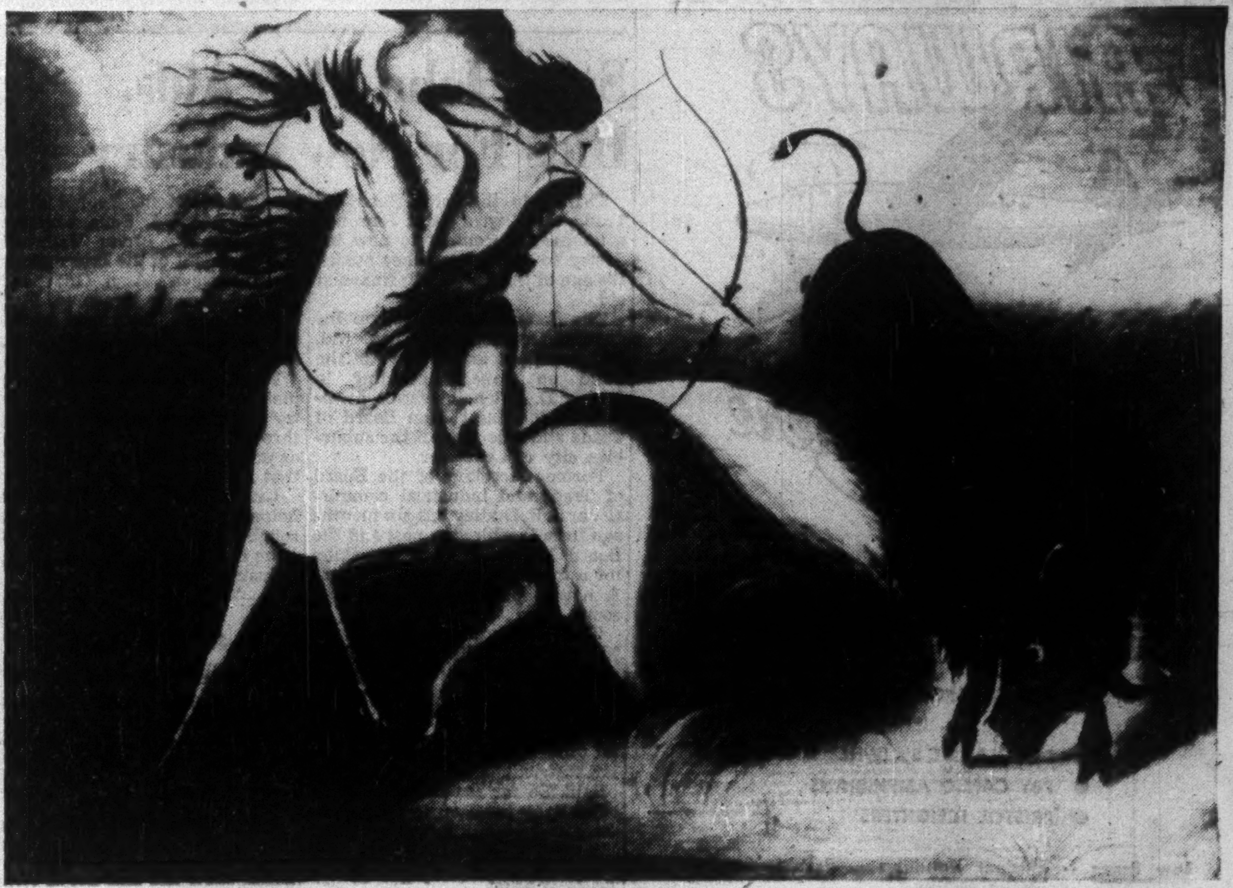

From Santa Barbara Museum of Art Collection

A NATION IS BORN

ONCE UPON A TIME the great prairies of America gave pasture to the Buffalo and sustained only the Redskin. Then pioneering white men entered upon the scene and brought with them a young vigorous civilization. The buffalo gave ground to the iron horse and a nation was born.

Today, the needs of this nation are so great that America calls upon the materials and services of her neighbours to fill them—particularly upon her neighbour to the north for the products of vast Canadian forests.

And Canada can answer this call because of plants like Bowater's Newfoundland Pulp and Paper Mills Limited at Corner Brook, Newfoundland. It is with neighbourly pride that we supply so much of the newsprint—*over three hundred thousand tons a year*—on which is recorded the present history of a nation born so long ago.

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King Coal Gets A 20-Ton Knight

The Post's Kenneth White traveled deep under the Atlantic to watch Nova Scotia's coal industry battling for market survival. Here is his eyewitness report.

By KENNETH WHITE

SYDNEY, N.S. (Staff) — One thing about a coal mine, it's much better coming up than going down — that is, if you're a greenhorn like me.

The Cape Bretoners who journey a couple of miles beneath the Atlantic every day to wrest coal from the bowels of the earth think nothing of it, except perhaps that it's much safer than being on top at the mercy of things like motor cars.

I took "Canada's longest roller coaster" down, along with dynamic Louis Frost, Dominion Steel & Coal Co.'s chief mining engineer, to take a look at Dosco's fabulous continuous-miner machine in action.

We went down Colliery No. 12 in New Waterford, where Dominion Coal Co., Dosco's coal subsidiary, has in operation one of the 15 continuous-miners now at work in collieries around Sydney.

Hopes are to have 42 of the $100,000 machines at work, 25 by the end of the year.

What I saw all through the mine was prodigious effort by Dosco to bring down the costs of mining, to put coal, Nova Scotia's biggest industry, back into a contending market position.

The Dosco miner machine is kingpin in this all-embracing battle. But there are other important cogs. One, now being worked out, could lead to placing by Dosco of a million-dollar order in dollar-short Britain.

New Conveyors

That would be for a new-type conveyor system that can be moved forward — to keep pace with the amazing miner — without dismantling. Currently developing the conveyor system in England is Hugh Wood Co., Newcastle-on-Tyne. If successful, the system would replace some 13,500 feet of underground belt now being used in conjunction with the 15 miners and possibly a few more miles as more miners get into operation.

Thus the struggle to save the Maritimes coal industry may get another recruit to join:

—The Dosco miner, which does the job of 40 men.

—A new system of roof bolting, replacing the former elaborate steel and pitprop underground shoring.

—Automatic underground doors, each replacing a man and adding a safety factor.

—Improved transportation, including 15-car underground diesel locomotives.

—The newly launched drive on domestic and industrial coal markets in the Maritimes.

For Nova Scotia, which relies on coal for an annual $55 millions in wages and basic economic support for 110,000 people, it's a deadly serious battle.

Nova Scotia's coal reserves have been estimated at 3,114 million tons. Seaward from Sydney Mines, New Waterford and Glace Bay, which ring Dosco's steel plant at Sydney, lie the most productive and probably the richest seams, so rich that bootleg coal mining has become a problem.

"Bootleg" Coal Mines

Some families, without a license and without paying royalties, dig as deep as 70 feet under their garages, under cellars, or in their backyards with a pseudo outdoor privy as the pit head.

But real paydirt comes as the five-foot-thick or better seams arc out to sea and dip under the Atlantic. Subject to market, Dosco has many years of profitable mining here, bounded only by economic distance from headframe.

The company currently plans going out and down as much as five miles, is four miles out under the sea at the farthest point today.

Inside, I can report it's black as coal, and happily, quite dry. The more cover you get between tunnels and sea floor, the dryer it gets.

It took us over an hour to get to the Dosco miner in No. 12. From the headframe we rumbled down an "angle deep" via cable car. After 15 minutes or so of this, Louis Frost tapped me on the shoulder.

"You're under the Atlantic now," he said, grinning under his cap light. I managed a grin under my cap light and announced that I could swim.

Mining in No. 12 Colliery first got under way in 1908. On the way down, you could see work done years ago, costly shoring of every inch of walls and ceiling with four-inch-thick pitprops and steel ribs. In another 15 minutes we reached the level we wanted. Here, we started to hike some along the level, at right angles to the slope, then hitched a ride on a new diesel locomotive on the way back to the far end of the level for another load of coal.

Like Cutting Cake

I was told they've been working that level for about three years and traveled about a mile from the slope in that time, taking out the coal like a horizontal slice out of a layer cake.

As the coal comes out, temporary props are removed and the former work area eventually closes in from the great weight above. Thus traveling along the level, we were following the direction of the old mined-out portion of the coal seam.

The diesel took us up to the scene of action, first an automatic loading machine, important part of the mine mechanization, at one end of the conveyor belt that led to the Dosco miner some 1,000 ft. further along the level.

We waited until a locomotive was loaded — 45 tons of pure coal into 15 cars in 15 minutes — then followed the belt. The diesel rattled off to take its load to the main haulage slope where cars are cabled to the surface. After washing and screening, the coal is ready for market.

Another 500 ft. or so along the level, the conveyor belt took a right angle turn and led 500 ft. up the coal face wall. The same seam, of course, led up to the surface, or ocean floor. Above us at other levels, other miners were mining the same seam.

In this area of the level, the new bolt shoring system became evident — bolts and small steel plates or wooden angle pieces automatically driven into the rock tunnel ceiling and walls doing the job of but entirely replacing the wood and steel ribbing, at great saving in material and labor.

One Man—20 Tons

The wiry — maybe too wiry under the circumstances — Louis Frost and I scrambled, sometimes duck walked, up the 500 foot face wall of the coal seam to the continuous miner. One man was at the controls of the 20-ton bucking, roaring, coal hungry machine.

Its tungsten-tipped teeth were biting 18 in. into the bottom of the seam, then upward across five feet to a height of five feet—the width of the seam. The rows of teeth, on belts, push the coal back by conveyor belt onto the main conveyor leading to the automatic loader.

Length of time per bite: 30 seconds.

Amount of coal per bite: 1½ tons; three tons per minute.

The machine, four of which have now been marketed in Britain, three of them delivered, is said capable of doing eight to 10 tons per minute—against some 2.10 tons per man day without the machine.

Without the machine, some 40 men would have been working on that face wall with smaller production. They would have been "shooting' the coal with explosives to loosen it, creating a fire hazard, worst enemy of the coal mine.

With the machine, one man was doing the operating — at $17 a day — one policing the conveyor works, one shoveling spilled coal and two coming along behind shoring up the newly created ceiling behind the machine.

Louis Frost, who has been going down coal mines for some 30 years, seems elated with the new tool. Above the noise and through the coal dust, he told me the machine would travel the 500 foot length of the face wall down to the level, then go back up under its own power (it has a total of 150 hp) to cut another five-by-five slice.

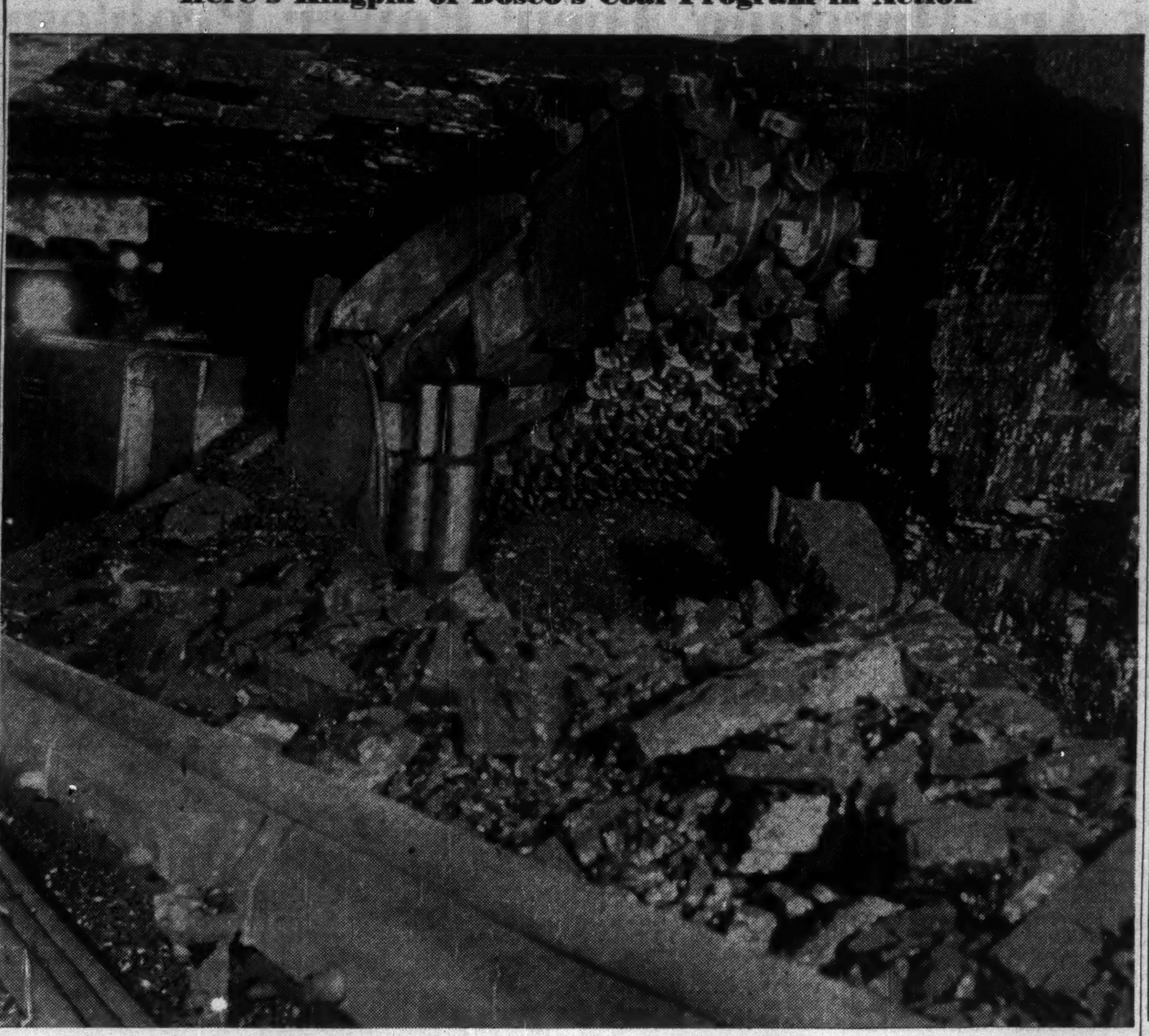
He also pointed to the shoring system being used at right angles to the machine's path as it edged seaward — wooden cross pegs incorporating a steel rigging with pins that can be readily knocked down thus collapsing the structure ready for rebuilding as work goes further out to sea and the old face wall work area caves in behind it.

We hitched a ride on the diesel on the way out. This time I watched the new automatic doors work. As the diesel approaches them — the doors are placed at intervals along the level for ventilation purposes—they swing open. As we passed through, you could see the doors swing shut as they became part of the black void behind, operated by a mechanical device tripped by the diesel.

The same doors help give men who work underground their uncanny sixth sense. You can't see it, you can't hear it, but the begrimed work boss of the level will be able to tell you if a train is coming by a change of atmosphere or a slight puff of wind as the ventilating doors open.

It was on the way out that I got the idea coming out can be better than going down a mine.

Here's Kingpin of Dosco's Coal Program in Action



The Dosco Miner, a mobile continuous mining machine is kingpin in Dominion Coal Co.'s modernization program. The machine digs and loads coal from the face without use of explosives and with little manual labor. The machine was engineered and designed by Dominion Coal engineers and is constructed in Dosco shops at Trenton, N.S. The machine has extracted coal from a long-wall face in quantities as great as 1½ tons in 13 seconds. Under normal conditions it approximates 500 tons per eight-hour day.

COMPANY REPORTS

Sanitation

G. H. WOOD & CO. net profit for 1953 was $114,861, 1.1% higher than 1952 net of $113,594.

Volume of sales was the highest in company's history, says President Geoffrey H. Wood, earnings standing up well in spite of higher expenses.

During the year company began production at the Vancouver plant. "This will not only effect substantial savings in freight, but will also tend to increase sales in British Columbia," states Mr. Wood. Addition of several new lines to the sales program, coupled with improved working capital position, makes the outlook optimistic.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1953	1952
Net earnings	$277,254	$282,855
Less: Deprec.	63,408	49,886
Income tax	98,985	119,375
Net profit	114,861	113,594
Less: pref. divds.	20,023	20,322
Surplus for year	94,838	93,272

†After deducting bond interest.

Earnings per Share‡:		
Pref.	$31.62	$31.01
Paid	5.50	5.50
Com.	3.73	3.67

None paid.

‡Based on shs, o/s, at year-end.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1953	1952
Cash	$101,825	$1,215
Life insur., c.s.v.	66,390	57,462
Accts. rec., less res.	732,018	717,955
Inventories	1,102,938	1,002,615
Total curr. assets	2,003,171	1,779,247
Prep. & def. chgs.	49,230	43,854
Adv. to Woodlets Inc.	43,276	43,276
Mtge. rec.	......	71,250
Bk. dep. re bd. redempt.	......	424
Fixed assets*	683,966	699,020
Total assets	2,779,643	2,637,071
Due bank	429,558	124,766
Accts., etc., pay.	339,507	437,238
Total curr. liab.	769,065	562,004
Res. for containers	43,592	256,124
Funded debt	422,240	447,615
Capital stock	414,200	417,200
Surplus	1,130,546	954,128
*After depr. of	303,895	234,749
Working capital	1,234,106	1,217,243

Contingent liabilities at Dec. 31, 1953, totaled $45,000.

An Invitation To
Exporters, Importers, Manufacturers

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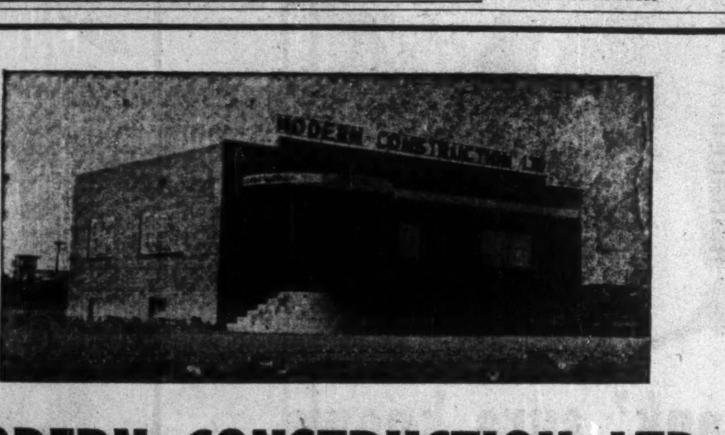

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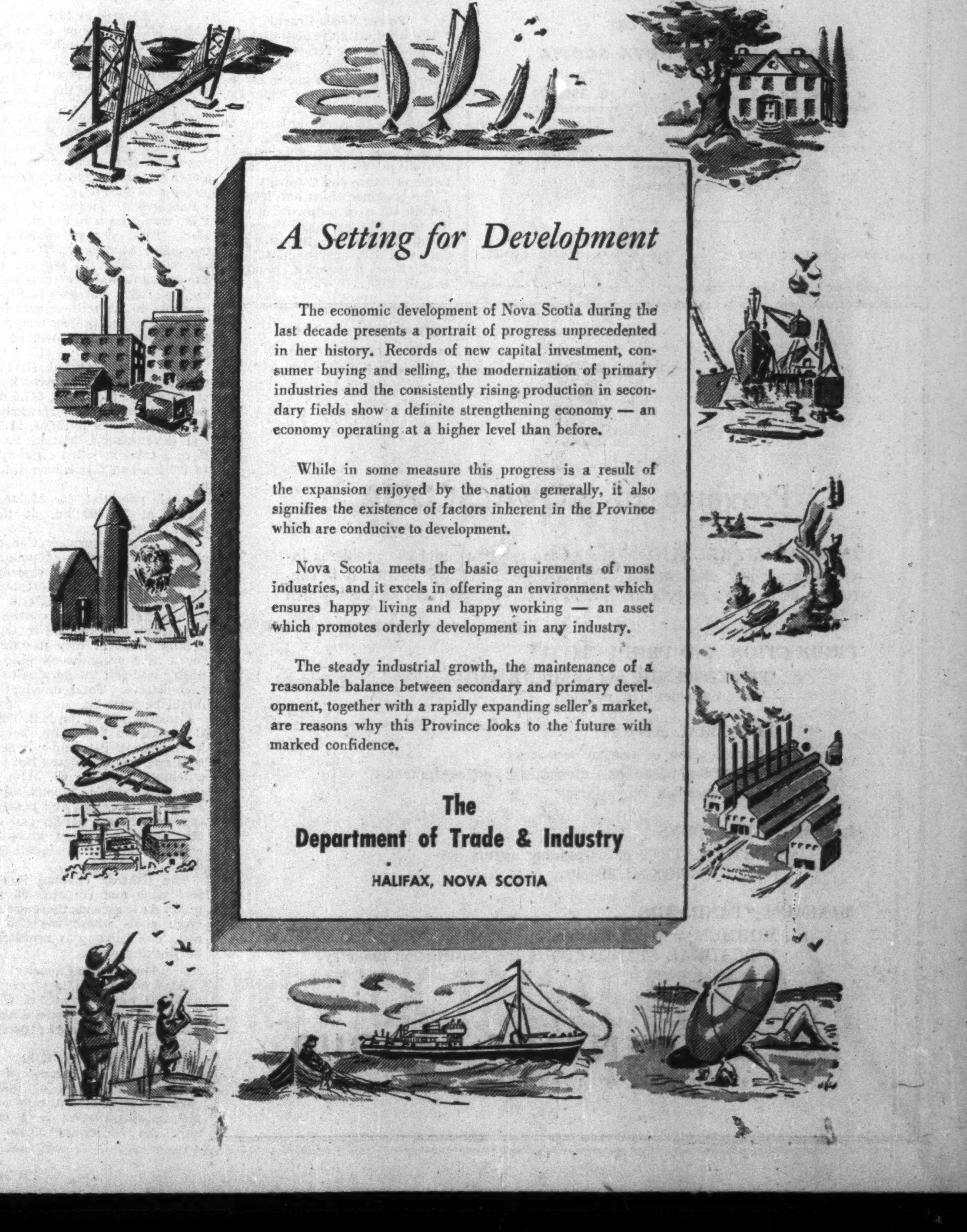


A Setting for Development

The economic development of Nova Scotia during the last decade presents a portrait of progress unprecedented in her history. Records of new capital investment, consumer buying and selling, the modernization of primary industries and the consistently rising production in secondary fields show a definite strengthening economy — an economy operating at a higher level than before.

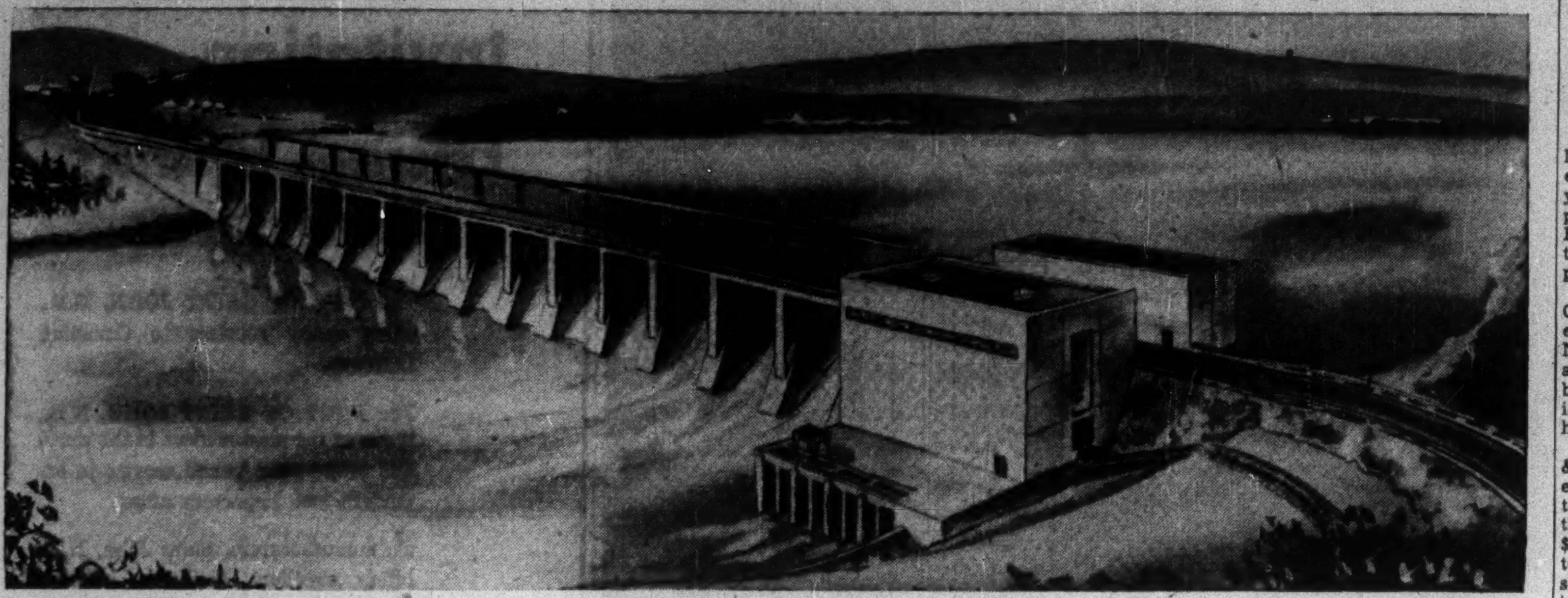
While in some measure this progress is a result of the expansion enjoyed by the nation generally, it also signifies the existence of factors inherent in the Province which are conducive to development.

Nova Scotia meets the basic requirements of most industries, and it excels in offering an environment which ensures happy living and happy working — an asset which promotes orderly development in any industry.

The steady industrial growth, the maintenance of a reasonable balance between secondary and primary development, together with a rapidly expanding seller's market, are reasons why this Province looks to the future with marked confidence.

The
Department of Trade & Industry
HALIFAX, NOVA SCOTIA

How The Maritimes Are Hurdling Their Power Problem



Here is an architect's drawing of the Beechwood hydro-electric plant planned for New Brunswick's St. John River. Preliminary work is under way on the plant which will have an initial capacity of 90,000 hp in two units, ultimate 135,000 hp with addition of another unit. Cost of the initial development has been estimated at $24.6 millions. For the total development: close to $45 millions.

Big Saint John River Plans, New Developments In Steam

Probably the biggest hurdle for Maritime industrial growth has been lack of large blocks of low-cost power. It's still a hurdle, but spot developments suggest the Maritimes are going to jump a lot higher:

—New Brunswick is getting ready to start tapping the St. John River potential—a hydro electric potential of 376,400 hp. within the province.

—Also in New Brunswick, Nashwaak Corp. of Canada has just announced possible production of low-cost power using oil shale as fuel (see page 44).

For the future, several developments could hold promise for the Maritimes: economic atom-based power; the coal-fired gas turbine engine now being developed at McGill University for steam generation; a U. K. development, also using pulverized coal, but with the diesel principle; the Bay of Fundy tidal potential.

But for the present, biggest news is being made by the projected Beechwood site on the St. John River, an ultimate 135,000 hp. development. This project could eventually tie in directly with future power needs of the Bathurst mining camp. It has been estimated by one metallurgist that 5,000 tons of Bathurst ore can be treated daily, from ore to refined metals, on 125,000 hp.

At present, of course, no plans for treating the ore, other than concentrating, have thus far been announced. But while no starting date has been announced for the Beechwood project, the New Brunswick Power Commission is confident it can and will keep abreast of power needs at Bathurst by St. John River development.

Still a Financing Hurdle

Meanwhile, financing of the $44.4 million Beechwood project has not yet been arranged. The Provincial Government is still hopeful Ottawa will see things its way: an interest free loan or advances interest free during construction and bearing a subsequent interest rate not exceeding 2½% per annum.

New Brunswick made this proposal to Ottawa in a brief presented April 27, 1953. Ottawa was hard of hearing and is still hard of hearing, but indications that the South Saskatchewan River power-irrigation project might get a second look has New Brunswick hoping for federal co-operation on Beechwood financing.

New Brunswick doesn't want a gift; it wants a loan at no or a low interest rate in order (1) to provide the power for industrial growth and (2) keep the cost of such power down to anything like attractive rate.

In its lengthy brief of 1953, the province pointed out that New Brunswick's installed electric capacity per capita was only 0.26 hp. against a national per capita figure of almost 1 hp., that the need in the province for cheap hydro-electric power is "urgent today."

In the past, the N.B. Electric Power Commission has obtained capital funds from provincial debenture sales. And proportion of provincial net funded debt incurred for the Commission has been rising rapidly. In 1945 it was 7.3%, in 1953 26.7% and by 1960, if the present method of financing is continued, an estimated 45.6% of total provincial net funded debt.

States the brief: "If the Province of New Brunswick were to endeavor to finance the program of hydro-electric power development planned by the New Brunswick Electric Power Commission it would have to sell an average of over $22 millions of bonds annually for the next seven years. It would be very difficult, if not impossible for the Province to float this amount of bond issues annually and even if it should prove to be possible the rate of interest at which the funds would have to be borrowed would make the cost of electric power prohibitive."

" . . . If capital funds were to be advanced to the Commission interest free, it is estimated that the Commission could start reducing rates in 1957 to an extent which would amount to about 30% by 1960."

Power Needs Urgent

The brief cites the Bathurst development as one reason for "urgent" needs for cheap power. Another: the pulp and paper industry. (N.B. International Paper Co. estimates its average loss of production due to power deficiency to be about 20% over-all, with a resultant loss of wages of $1.5 - 2 millions per year, plus other losses to the province and Ottawa.)

The province ships out 700,000-800,000 cords of pulpwood a year for some $30 per cord. Processed within the province, the same product would bring around $85 per cord. New Brunswick produces around $100,000 worth of furniture a year, imports $4 millions worth.

New Brunswick's proposals are summarized as:

1. That the Federal Government advance to the Province the cost of developing the Beechwood station with projects incidental thereto. Estimated cost to 1960: $44.4 millions.

2. That the money be advanced as required, with estimated requirements as follows:

	$ millions
1953-54	1,800
1954-55	9,350
1955-56	8,150
1956-57	9,400
1957-58	800
1958-59	5,000
1959-60	9,900

3. That the funds be interest free or if this should prove to be impossible that the rate of interest be 2½% and interest free during construction.

4. That repayments be made at the rate of 1.5% of the principal amount each year; the first payment to be due one year after the completion of the particular project for which the money was advanced.

The Power Commission has spent $1 million on Beechwood development work so far. Shawinigan Engineering Co., Montreal, has been engaged to do the designing. First concrete approach to the project dates back to 1950, when the New Brunswick Resources and Development Board was largely responsible for International Joint Commission attention, necessary since the St. John River drains 11,250 square miles in New Brunswick and 7,600 square miles of Maine (as well as 2,750 square miles in Quebec).

Cleared by IJC

The IJC has since given the green light to the Beechwood proposal, which fits into plans to develop the whole river potential in both Canada and the U. S. Initial installation at Beechwood would be two 45,000 hp. units at an initial cost of $24.6 millions. A third unit would follow in a few years and four units are contemplated for the completed scheme, under a 60 foot head.

Beechwood, located at Bath, N.B., would be a run-of-the-river plant. Total storage capacity of five sites studied in the State of Maine, eight in Quebec and one international site (plus existing N. B. storage facilities) amounts to 3.5 million acre-feet. The Beechwood project would also improve flood control of the St. John River.

Two other potential sites on the river in New Brunswick are at Morrill—a 58,000 hp., $17.5 million installation and Hawkshaw, 100,000 hp., $34.4 millions, in initial development. Morrill would have a total installed capacity of 88,400 hp. and Hawkshaw 151,000 hp.

Total potential in Maine is placed at 342,200 hp. at three sites.

The New Brunswick Commission has a backlog of potential hydro electric power elsewhere in the province which totals a potential 169,000 hp. At one, Pokiok, negotiations are continuing for private development by which a pulp producer may use power for a new groundwood pulp industry and sell the surplus to the Commission. Total development might be 9,000 hp.

Construction of the N.B. Power Commission's 27,000 hp. Tobique hydro plant got under way in 1950 and was completed last year, a tributary of the St. John and one of Canada's famous salmon streams. Its design and construction also meant design and construction of a fishway, which now winds up around Tobique's 80-ft. dam.

The fishway channel is eight feet wide and contains 68 riser pools. As it ascends there are four large pools where the fish can rest. The fishway is reported to be working well.

More Steam Capacity

Also brought in last year was a 20,000 hp. unit at the Grand Lake steam plant, extending the Commission's installed capacity to 151,000 hp.

Major expansion under way now, besides the Beechwood proposals, is extension of thermal capacity at Chatham, now a 16,500 hp. installation in a single unit. An additional 29,400 hp. unit is under construction at a total cost of some $3 millions and will be completed in the late fall of 1955.

The Commission's farm or rural electrification program has just another 800 miles of distribution lines to go before the entire province is "electrified." At present, 85% of New Brunswick homes have or could be hooked up to power lines. In three to five years, it's expected the big job will be complete.

The Nova Scotia Power Commission has its rural electrification program about 75% complete, based on "four potential customers" per mile of new rural line. The Commission will spend some $300,000 on rural electrification this year. Its aim, along with private power firms operating in Nova Scotia is to eventually blanket the province with power. The N.S. Commission added 226 miles of line and 1,800 new customers in 1953, plans another 150 miles of rural line this year.

It also has under construction:

—An addition to the Trenton steam plant, which now contains two 10,000 kw. units. The new unit will be 20,000 kw. to be completed early next year at an estimated cost of $2,250,000. The plant services the Trenton steel works and sells to Pictou County Power Board and Northumberland Light & Power Co.

—A 6,000 hp. hydro development on the Mersey River in two units to be completed about June 1955, at a cost of $1,750,000. The plant, along with five existing hydro plants on the Mersey, will complete development of the river.

10-Year Backlog

The Commission estimates it has a backlog of potential hydro electric power sites for 10 to 15 years in the western end of the province, depending on demand. Eastern Nova Scotia has to look to steam plants for its future power supply.

Nova Scotia Light & Power Co., largest retail distributor of electricity in the Maritimes, last November completed a 30,000 hp. addition to its Halifax steam plant, bringing total generating capacity, including subsidiaries, to 123,270 hp.

Under construction, N.S. Light & Power has a 9,000 hp. hydro electric development on the Nictaux River, to be completed late this year and expected to cost $2.5 millions, and a 34,000 hp. extension to the Halifax steam plant scheduled to come into operation in 1955.

Seaboard Power Co., a Dosco subsidiary, brought in an 18,750 kva. unit at its Glace Bay station last year, a duplicate of a $2.6 million unit added to the Glace Bay plant in 1951. Total installed capacity is now 52,500 kva. The company uses powdered coal mined locally and supplied by Dominion Coal Co. to produce steam for power production.

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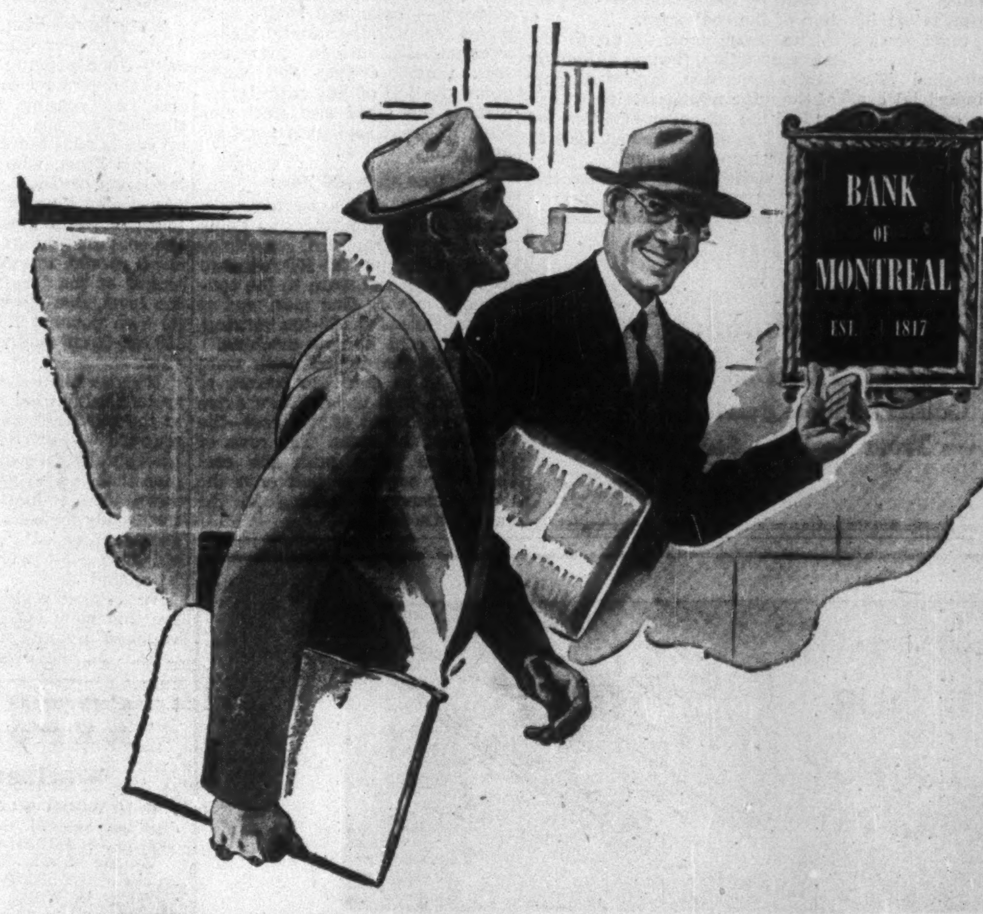

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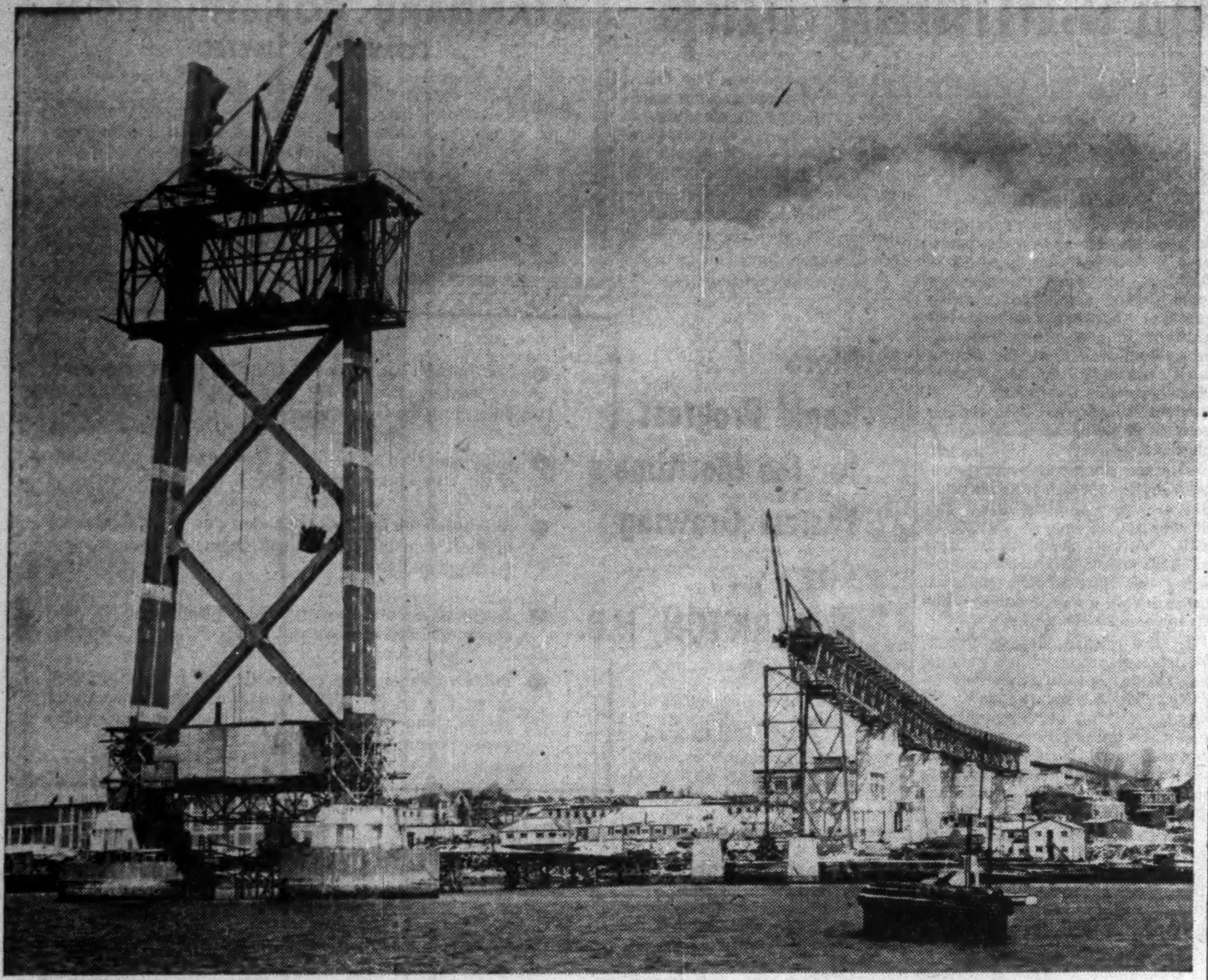

A Maritime transportation "dream" is coming true with construction of the $10.5 million Angus L. Macdonald Bridge, which will link the City of Halifax and the Town of Dartmouth. The bridge should be open for business in November of this year.

Idea of such a project dates back to 1796. In 1884, Intercolonial Railway built a combined highway-railway bridge across "The Narrows," but it was swept away in a storm in 1891. Rebuilt, it was lost again in 1893. Ever since, there has been continuous agitation for a bridge to join the two bustling communities.

In 1950, the Halifax-Dartmouth Bridge Commission was incorporated by provincial legislature. It provides for appointment of seven Commissioners, three by the Provincial Government, two by the City of Halifax and one each by the Town of Dartmouth and the County of Halifax. Dr. P. L. Pratley, Montreal, was retained to supervise its construction and C. A. Fowler, Halifax, was appointed associate engineer.

Preliminary expenditures were financed by a guarantee to the bankers of the Commission by the province. Permanent financing was effected during 1952 by issue of a first mortgage serial bond issue of $8 millions, sold in New York. First principal maturities are March 15, 1955, and final maturities in 1977. Late in 1953 the Commission created an issue of debentures bearing 4½% interest, maturing in 1958, to the amount of $3.5 millions, unconditionally guaranteed by the province.

But the Commission doesn't plan to offer these debentures at the present time, and is negotiating for temporary financing arrangements for the funds to complete the bridge.

It's expected the bridge will be paid for by its users. Under the schedule set up, passengers cars will pay a rate of 40c; a graduated rate for trucks, based on registered weight, goes from 40c to $2. The charge for others than drivers is 5c.

Massive concrete anchorages and two main support piers near either shore are completed. The main portion of the bridge will be of stranded cable suspension type, with a central span across Halifax Harbor of 1,447 ft., and equal side spans of 527 ft. The bridge will have a 27-ft. roadway similar to standards adopted for the Trans-Canada Highway. A sidewalk, over five feet wide, is provided on the south side and a ductway for service cables and a water main which will eventually link Halifax and Dartmouth telephone, power and water supply. From end to end, the bridge is about a mile long.

Here's Maritime Finance Firms Record

(Continued from page 44)

($1,381,801), rest fund $660,000 (635,000) and profit and loss balance $42,316 ($38,035).

Nova Scotia Trust

Nova Scotia Trust Co., Halifax, maintains branches at Sydney, Kentville, Yarmouth and Truro.

Net profit for year ended Sept. 30, 1953 was $51,379, 3% up from $49,903 the previous year.

Guaranteed trust and account at Sept. 30, 1953 stood at $4,395,704 ($4,212,267 a year earlier). Estates, trusts and agencies under administration increased to $22,030,403 ($19,965,898.)

Authorized capital at Sept. 30, 1953 consisted of $1 million, of which $500,000 is issued and paid up. Profit and loss account stood at $49,494, up from $38,115. General reserve was unchanged at $400,000.

Yarmouth Bldg.

Yarmouth Building & Loan Society, Yarmouth, N.S., makes loans on mortgages and issues debentures. Net profit for 1953 was $11,435, 5.1% higher than 1952 net of $10,877. Earnings per share equaled $6.66 ($6.34 a year earlier).

Assets totaled $712,957 ($734,396) at Dec. 31, 1953. These included $694,911 ($723,213) in mortgages.

Debentures outstanding amounted to $423,350 ($446,450). Capital stock account was $171,672, reserve account $76,000 and profit and loss balance $30,207 ($27,380).

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Fredericton Dairy Shows Top Volume

General Dairies Ltd., Fredericton, N.B., had a total sales figure of over $3 millions during the past fiscal year, highest in the history of the company.

This was disclosed by President Frank T. Pridham at a meeting held recently. Fluid milk sales set a record in their own division and ice cream sales very nearly touched the record height reached in 1952.

"Top prices were again paid to the producers for milk and cream," said the president, "and the quality of the company's products was held at the highest level."

However, Mr. Pridham went on, "high payments to producers and ever increasing operating costs make it difficult to show a reasonable earnings surplus."

The plants at Fredericton, Saint John, Moncton and Woodstock were improved during the year and much new equipment installed. New plant at Bathurst shows promise of a considerable expansion in sales and should be a valuable addition to the company, the president stated.

Further expansion took place in the western part of Nova Scotia and before long company will have to consider better facilities for servicing that area.

Company had a little difficulty in maintaining sales in some areas which had suffered through a lessening in demand for agricultural products. Some improvement is now apparent and the present year should be more satisfactory. Of concern to the company is the mounting costs of such items as gasoline, fuel oils and containers.

"We shall have to operate most carefully," said Mr. Pridham, "to overcome these mounting costs, if we are to maintain present prices in our own products."

TOWN OF WHITBY, Ont., has sold $309,650 4% serial debentures due 1-20 years to McLeod, Young, Weir & Co. and Mills, Spence & Co., at 100.37 representing a cost to the town of 3.954%. Proceeds for sewer extensions, waterworks and a community arena.

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HIGHLIGHTS OF OUR ACTIVITIES IN 1953

The programme of replacement and enlargement in 1953 involved the erection of 315 miles of pole line, 140 miles of aerial cable, and 843 miles of open wire circuits.

Telephones installed showed a net gain of approximately 6,000 bringing the total number of telephones served by this Company to 121,016, an increase of almost 100% since 1945.

Gross construction during the year amounted to approximately 4½ million dollars, and comprised new building, central office equipment, toll equipment and exchange plant.

Extensions to Toll Dialing, which enables an operator to dial a subscriber hundreds of miles away, was carried out. Toll dialing between Provincial toll centres, between N. S. and P. E. I. as well as between N. S. and many U. S. points was developed.

The largest microwave Radio Telephone System in the Company's history was placed in service between Halifax and Saint John. 31 circuits are now in operation and work is underway to increase the number.

Maritime Telegraph & Telephone
COMPANY, LIMITED

Public Utilities Progress Record

Acadian Lines

Acadian Lines operates a motor transportation system from Halifax, covering a large portion of Nova Scotia. The business is owned and directed by United Service Corp., a holding company at Halifax.

Individual operating or financial figures are not published. Net profit of the parent company, United Service Corp., was $437,754, down 9.4% from 1952 net of $483,238.

Canada Electric

Canada Electric Co. supplies electric light and power to the industrial area in northwest Nova Scotia and to a section in southeastern New Brunswick. Wholesale power is also supplied to Springhill and Oxford and to Eastern Electric and Development Co at the New Brunswick boundary for distribution in Sackville and district. It sells power to Dominion Coal Co. mines at Springhill and to other mining companies in the Cumberland fields.

Company serves an area containing approximately 32,000 people and either directly or through subsidiaries, some 9,000 retail customers. Company's generating capacity is 40,000 hp.

In 1953, gross additions on the capital account amounted to $210,649. Included in this was an addition to a warehouse and the general office in Amherst, a new transmission line from the generating plant to Amherst, additions to substations, rebuilding and improving sections of the distributing system, and a number of rural extensions.

Gross operating revenues increased from $1,140,674 in 1952, to $1,165,328 in 1953, but this gain was more than offset by heavier operating expenses. The major items in this bracket were higher wages and substantial increase in the price of coal.

Net profit for 1953 was $96,959 less than 1952 net of $100,877.

Power generated totaled 62.9 million kwh, up 3.5% from 1952. A substantial increase in demand is expected this year.

Outstanding capitalization of the company at the end of 1953 included $1,405,500 3½% Series A first mortgage sinking fund bonds due 1967; $979,500 4% Series B first mortgage sinking fund bonds due 1968; $478,000 4% Series A, and $490,000 4½% Series B general mortgage sinking fund bonds due 1972; and $900,000 common stock, $100 par.

Eastern L & P

Eastern Light & Power Co. serves all the eastern part of Cape Breton Island except Glace Bay. It distributes electricity in Sydney, N.S., while its wholly owned subsidiary, Dominion Utilities Ltd., supplies electricity to the adjoining areas, and also owns and operates the New Waterford water system. Power for both companies is bought from Seaboard Power Co.

Latest operating figures show that gross operating revenues for 1953 were $1,456,749 an increase of 12.8% over previous year's figure. Net income rose from $136,473 to $159,422. Number of customers served at the end of the year amounted to 16,738, an increase of 407. Kilowatt hours increased by 12.8% and electric sales were 4.4% higher than in the first 6½ months of the previous year.

Expenditures on new construction amounted to $252,860, while retirements of property were $34,260. Planning for the new collection and sales office in Sydney has been completed, and 1953 expenditures include the purchase of a suitable site for this building.

Eastern Util.

Eastern Utilities, a holding company, supplies electric power to Moncton, Amherst, Sackville and district in the Cumberland coal basin, to Dominion Coal Co., and to other public utility systems for retail distribution, through subsidiaries.

Natural gas is supplied to Moncton and Hillsboro, as well as transportation to the Cumberland fields.

Company's three wholly owned subsidiaries are Canada Electric Co., Eastern Electric & Develop-

(Continued on page 49)

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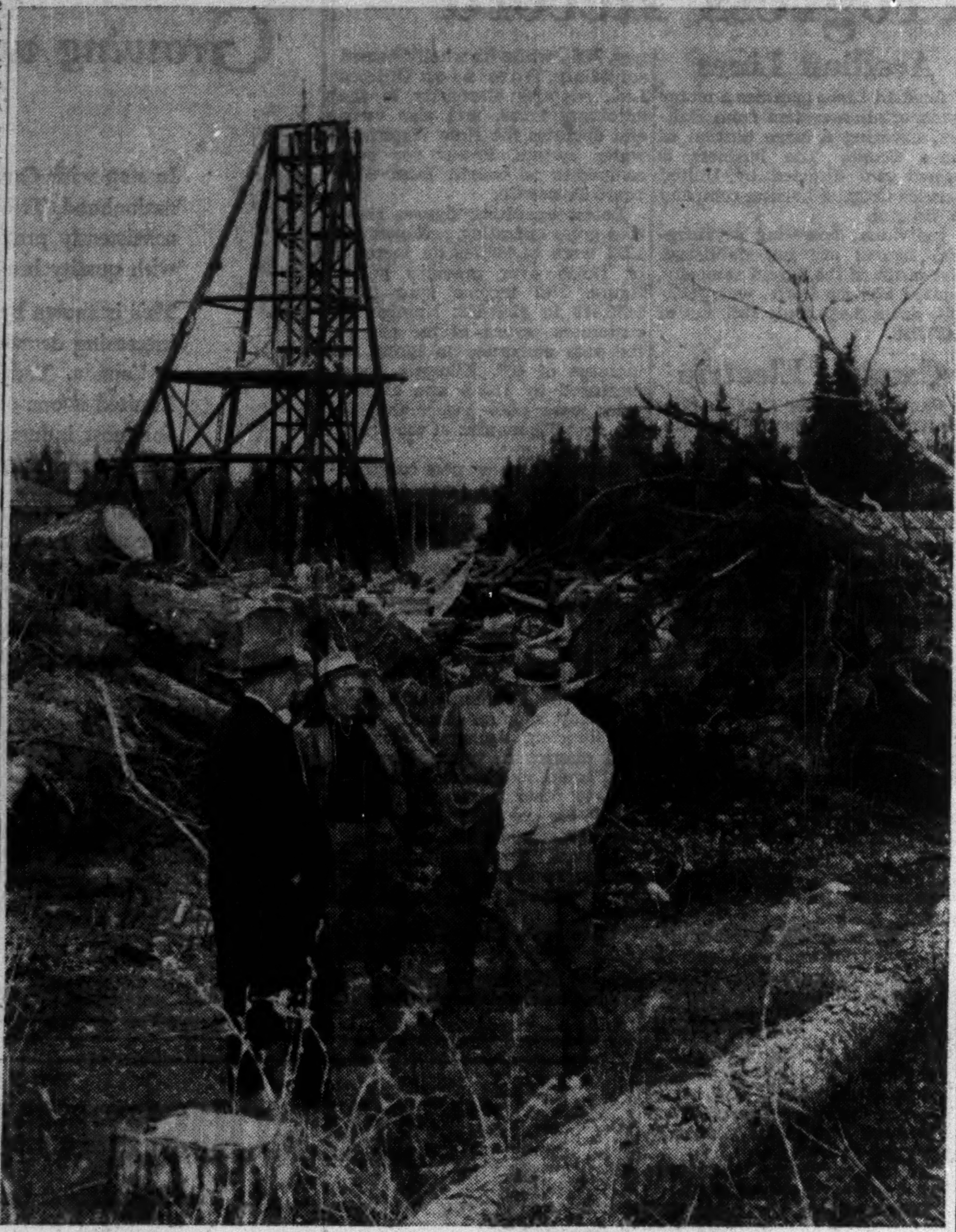
Bright New Maritime Pins On Canada's Mining Map



M. J. Boylen, left centre, president, Brunswick Mining & Smelting Co., chats with mine officials and company directors during recent inspection of the company's Anacon-Leadrige base metal operations near Bathurst. Background is recently completed headframe for shaft to supply pilot mill under construction. Brunswick is preparing for construction of 4,000-ton daily concentrator.

In a scant few months, the face of Canada's mining map has been radically altered. Bright new tacks are being pinned on east coast areas and sage planners are keeping the tack box handy.

There's an element of surprise, excitement and promise in areas which less than a year ago were strange to the probe of diamond tipped bits, the click of the gieger counter, or the buzz of an aeromagnetic survey.

For the Maritimes, it's all adding up to new wealth, a richer share of Canada's rich resources pie, and, perhaps as important as new production already assured, a sharp focus on once-overlooked territory by big mining interests.

The recent successes and pace of new attention suggests more mining headlines are going to be made by the east coast.

But for the present, there's plenty to shout about.

In Northern New Brunswick, the young but already famous Bathurst camp is getting ready for production—production that could eventually mean a large-scale chemical and metallurgical empire at tidewater that once looked upon the sea and the forest as sole supporters.

Now comes news of utilization of a long-known but little-regarded New Brunswick resource: oil shale.

It was announced just two weeks ago (The Financial Post, June 5) that Nashwaak Corp. of Canada Ltd., Montreal, was negotiating with New Brunswick Power Commission for the sale of power it plans to produce from burning of oil shale deposits at Hillsborough, 20 miles south of Moncton.

That would mean use of oil shale as fuel for power for the first time in Canada. It would flood cheaper power into the sinews of New Brunswick economy.

And it makes New Brunswick a potential aluminum and fertilizer producer. Byproducts of the process, according to Nashwaak, are alumina and potash, a basic raw material for market-booming concentrated plant food.

New Industrial Base

It's thought a major chemical industry based on the oil shale may spring up in N. B. within the next three years. Nashwaak, backed by a New York investment house, is reported to be planning initial financing of $12 millions. Engineering and construction plans have been completed; the $7.5 million power plant would have two 20,000 kw units. The oil shale deposit is estimated at 100 million tons to the 400-ft. level — suitable for open pit mining — sufficient for 100 years' operation of the projected power plant.

In Nova Scotia, National Gypsum Co., Buffalo, N.Y., is spending $6 millions to develop what is believed to be the largest single commercially pure gypsum deposit in North America. The company plans an annual output of 1.5 million tons of gypsum by 1955 at the new property located at Dutch Settlement some 30 miles north of Halifax.

Output will go by rail to Halifax, where it will be shipped to plants at New York, Portsmouth, N.H., Baltimore and Savannah, Ga. National Gypsum discovered the property in 1952, estimate enough reserves to supply demand for at least 200 years. The new quarries will replace those now operated by the firm at Dingwall, N.S.

Prince Edward Island, which doesn't count itself as a mining province, has work under way investigating clay deposits on the south coast as the basis of a brick enterprise. An Italian firm is more than interested. The red clay was used in earlier times for high-quality brick making, the results of which are still evident in P. E. I. architecture.

Bathurst's Future Assured

In New Brunswick, Bathurst's future is assured. Brunswick Mining & Smelting Corp., representing M. J. Boylen interests and the U. S. St, Joseph Lead Co., has plans well advanced for a concentrator to be located some 19 miles southwest of Bathurst. A new road from Bathurst to the site was completed this spring.

Initial plans call for a concentrator of 4,000 tons per day capacity initially. The concentrator capacity, of course, could be boosted according to market outlook, long-range plans and possible customs operations.

Construction will start this summer on a $200,000-$500,000 pilot mill for studies to establish design and flow sheet for the production mill. The studies should be completed next winter; construction of the concentrator should start early next year and be ready for production about a year later, or early in 1956.

To feed the mill, Brunswick has over 50 million tons of ore outlined in two huge ore bodies, Austin-Brook, which lends itself readily to open-pit operations, and the original Anacon-St. Joseph Lead property, where a shaft is now being sunk to feed the pilot mill. Here's how these two properties shape up:

Austin-Brook: Up to 27 million tons of ore to the 1,000-ft. horizon, averaging 5.23% zinc, 1.74% lead, 0.3% copper and 1.74 oz. silver.

Anacon: Some 27.4 million tons of ore to the 1,000-ft. level, averaging 5.28% zinc, 1.88% lead, 0.58% copper and 1.79% silver.

Based on "approximate average prices" of copper, 28c a lb., lead 18c, zinc 16c and silver 83c per oz., in their recent report to the legislative assembly of N. B., C. S. Clements, director of mines, and Dr. A. L. McAllister, associate professor, Department of Geology, University of N. B. estimated value of ore in the ground in these two properties alone to be $1.3 billions. This figure excludes sulphur tin and iron content.

Value of the ore to the province will depend largely on the feasibility of producing refined metals and sulphur byproducts in the province, they report. The M. J. Boylen interests plan spending $3,250,000 on development work in the Bathurst camp this year—$2 millions for Brunswick; $750,000 New Larder U. and $500,000 Keymet.

Shafts Going Down

New Larder U has work under way on a shaft on a one-square-mile property 14 miles south of Bathurst, designed to produce 1,000 tons a day. The property contains "between one and two million" tons of ore which may be custom milled at the Brunswick concentrator, be shipped elsewhere for treatment, or get its own mill. It will take about a year to sink the shaft seven levels deep.

Further north, Keymet is rebuilding its 200-ton mill on foundations left standing after fire destroyed its newly completed mill, setting production plans back six months. The company is using the time to sink its shaft three levels lower, from the 900-ft. to the 1,200-ft. horizon.

In the original Rocky Brook-Millstream property, the original aggressive syndicate formed locally which spearheaded the whole Bathurst development and has since optioned blocks to mining companies, Noranda is reported "coppering." Both Noranda and the O'Brien interests have prospects in the area.

On its property in the Bathurst area, Anthonian Mining Corp. is reported to have close to two million tons copper-lead-zinc-silver ore, but so far has announced no advanced plans.

Manganese Prospects

Manganese in New Brunswick has been subject to exploratory work during the past 100 years; there are 48 known occurrences of the mineral in the province. In the Bathurst area, Canadian Manganese has been carrying out extensive drilling, surface stripping and some underground exploration at Tetagouche Falls. Mineralization has been traced over an area 3,100 feet long and from 200

(Continued on page 54)

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Here's Progress Record of Maritimes Utility Firms

(Continued from page 47)

ment Co. and Joggins Coal Co. It controls two other firms—Moncton Electricity & Gas Co. and Maritime Coal, Railway & Power Co. An interest is also held in Electric Ice Co., Port of Spain, Trinidad.

Annual report for 1953 has not yet been issued. In 1952 company showed a net profit of $83,018, compared with $72,304 in 1951. Improvement was due to an increase in dividends and interest income and a decrease in expenses.

Moncton E. & Gas

Moncton Electricity & Gas Co. provides electric service in Moncton, N.B., and the suburbs, and provides natural gas for Moncton and Hillboro. Electric properties consist mainly of distribution lines.

Energy is bought, under contract to the city of Moncton, from the New Brunswick Power Commission, at approximate cost to the city.

Natural gas comes from the Stoney Creek Field, 11 miles from Moncton. Company leases the electric and gas plants and the distribution system from the city, paying an annual rent for the use of the property.

It has first call on all natural gas produced in the Stoney Creek Field.

The company is a subsidiary of Eastern Utilities, which owns all but 37 of the 13,089 issued shares. It controls Maritime Coal, Railway & Power Co.

Mar. Electric

Maritime Electric Co. supplies electric light and power to Charlottetown, Montague and 25 other Prince Edward Island communities. It has a 7,500 kw unit, and a 3,000 kw unit at Charlottetown.

The company also buys power from the New Brunswick Electric Power Commission to supply Fredericton and eight other communities in New Brunswick.

Company had a net profit of $213,824 in 1953, as compared with $174,080 in 1952, a rise of 22.8%. Common shares earnings were equal to $61.09 as against $49.74 in 1952.

Assets at Dec. 31, 1953, totaled $5,478,789.

Maritime T & T

Maritime Telegraph & Telephone Co., Halifax, operates the bulk of the telephones in Nova Scotia. It also serves Prince Edward Island through control of Island Telephone Co.

Maritime's lines connect with New Brunswick Telephone Co.'s system and it also has connections for long-distance business plus radio-telephone service to Newfoundland.

Demand for new service last year was steady, slightly higher than in 1952, but still considerably below the demand in several previous years. At the end of last year the company had 121,016 telephones in service, 5,946 more than in the previous year. Of that total, 75% were dial operated.

Gross operating revenue was up 15.4% on 1952, to $9,317,300. Operating expenses rose by 9.8%, but net profit was up sharply from $928,682 to $1,276,465, a rise of 37.4%.

Gross construction during the year totaled $4,494,700. Among the construction projects achieved were two new central office buildings, and work was begun on installation of a big addition to the toll dialling plant throughout Nova Scotia. This will provide toll dialling facilities for 50 additional toll lines when it is complete.

The Maritime route handling telephone communication with Newfoundland is being used this year as an alternative for trans-Canada and U. S. traffic, through an expanded radio and line system.

Last June the largest radio system ever installed in the history of the company was placed in service to provide 23 high grade traffic circuits between Halifax and Saint John, N.B. An additional eight circuits were put into operation in December and plans are well under way for raising the total to 46 in September this year.

In November, shareholders were offered new stock on the basis of one share at $13 for every eight held. A total of 160,810 shares were taken up. Proceeds are to be used for company's construction program.

A certain amount of new financing will probably be needed this year.

N.B. Power Comm.

New Brunswick Electric Power Commission supplies most of New Brunswick's electricity, owns and operates hydro-electric and steam plants with a total capacity of 151,000 hp.

Work may begin this summer on a $40 million hydro-electric project at Beechwood on the St. John River. Already the Commission has spent some $1 million on surveys. Provision was made in the Provincial budget for expenditure of $1,250,000 on the project during the current year.

The construction of Beechwood will mean an additional 135,000 hp (three 45,000 units) added to the Commission's capacity and will be the first step in the proposed $100 million over-all development of three potential power sites on the New Brunswick section of the 425-mile St. John international waterway. The plan is to harness the river in a step by step development of hydro projects at other sites, which would give New Brunswick an additional 374,000 hp of electric energy.

To add another 20,000 hp, expenditures of $2 million to $3 millions was authorized for the extension of the Commission's Chatham steam plant last fall.

Both the Beechwood and the Chatham extension are expected to go into operation before 1957 and are designed to meet the electrical needs of the anticipated development of the recent rich base metal and other mineral finds in the Bathurst area and other sections throughout the province, as well as place the Commission in a position to furnish electricity to existing and new industries and plants as it is required.

N.B. Telephone

New Brunswick Telephone Co. owns and operates a telephone system covering New Brunswick and connecting with many systems in the adjoining provinces. There were 87,850 telephones in service at the end of last year, a net gain of 4,537 over 1952. During the year a slackening in business activity in the company's territory was reflected in a cut in long distance usage (down 1.8% from 1952) and less pressure for extension of facilities to provide new main service. Net gain in telephones was only 72% of the 1952 figure.

A higher rate schedule in effect for the full year and further growth of the number of telephones in service increased gross income by 20.2% to $7,611,034. Operating expenses rose by 8.4%, net profit was 68.1% higher at $1,110,015, as against $660,403 in 1952.

During the year capital expenditures rose to $3,743,646, due to the fact that two new central office buildings were erected at Ford Mills and Oromocto and a substantial addition made to the Campbellton central office building in preparation for conversion of this exchange to dial operation in 1954.

A $2 million issue of 4¾% 17-year debentures was sold privately in November to help pay for new construction and equipment, including new toll facilities. A total of 193,944 common shares were sold earlier in the year at $10 each.

During 1953 the physical assets of the Petersville Telephone Co. and West Isles Telephone Co. were bought.

The large work program designed to expand facilities was curtailed in 1953, "consistent with changing conditions," company said. Company felt it was justified in keeping future commitments to a minimum until the situation clarifies.

Nova Scotia L & P

Nova Scotia Light & Power is the largest distributor of electricity in the Maritimes, supplying with its subsidiaries about half the consumers in Nova Scotia. It operates all the power and public transportation services in Halifax, and supplies electric service to Dartmouth, Bedford and over 400 communities and their surrounding districts. Customers number about 72,000.

Total generating capacity, including plants of subsidiaries, amounts to 123,270 hp. Under way at the moment are a 9,000 hp hydro-electric development on the Nictaux River, expected to cost some $2.5 millions to be completed this year, and a 34,000 hp addition to the Halifax steam plant, scheduled to come into operation in 1955.

Last November company completed a 30,000 hp addition to its Halifax plant at a cost of $3 millions.

To finance capital expenditures, company last year sold a $2.1 million issue of 4⅞% first mortgage sinking fund bonds, and also 53,260 shares at $17 each. This year shareholders were given the right to subscribe to a $4 million issue of 4½% cumulative redeemable $100 par preferred stock.

Gross earnings for 1953 were $9,520,395 as compared with $8,988,431 for 1952. Consolidated net profit was $1,165,383 against $1,033,264 in 1952.

Production and distribution of coal gas was discontinued in 1953, and company offered generous allowances for the trade-in of gas appliances on electric equipment and 2,800 of the 4,000 consumers were changed over.

Company's transit system in Halifax has 77 trolley coaches, operating over 21.6 miles of city streets.

N.S. Power Comm.

Nova Scotia Power Commission had sales of 402.9 million kwh for the year ended Nov. 30, 1953, an increase of 7.5% over the previous 12 months. The rise was due mainly to the operation of the hydro-electric development on the Bear River which took over from diesel power on the Tusket system, and operation for the first year of the Commission's second 10,000-kw unit in its Trenton steam station.

Commission's installed generating capacity amounts to 133,622 hp, 68% up from the end of the war, but unchanged since Nov. 30, 1952. A substantial amount of new capacity is under construction at present.

A 20,000-kw steam unit is scheduled for completion early next year, housed in an extension of the Trenton plant. The unit is required to handle the increased power demand and to replace obsolete steam generating equipment. It will cost $2.5 millions.

On the Mersey River, the Commission is going ahead with a 6,000-hp hydro plant at an estimated cost of $1,750,000, scheduled for completion in late 1955.

Number of rural customers served during the 1953 fiscal year increased to 27,246 from 25,493. All the territory the Commission operates is now covered except for short extensions from existing networks.

Transmission and distribution lines increased by almost 6% to a total of 4,124 miles.

Total revenue for the year was a new record at $4,719,783, up $625,229 from 1951-52. Capital expenditures totaled $3,480,737.

Seaboard Power

Seaboard Power Co., wholly owned by Dominion Steel & Coal Corp., supplies electric power to the parent company's works and the mines of associated companies. Power stations at the Sydney steel works and those of Dominion Coal Co. and Nova Scotia Steel & Coal Co. are interconnected with its system.

Seaboard supplies power to Eastern Light & Power Co., and the towns of Glace Bay, Sydney, New Waterford, Dominion, North Sydney, Sydney Mines, etc.

The company's station at Glace Bay uses powdered coal supplied by Dominion Coal Co. to generate electricity. A new 18,750 kva generator was added in 1951 at a cost of $2.6 millions, and a duplicate unit was completed last year. Total capacity was raised to 52,500 kva.

Outstanding are $2,340,000 4% serial bonds due 1954-71. The bonds are guaranteed unconditionally by Dosco, were sold in 1949 to help finance the additional generating equipment.

U. S. $ Value in Canada

Daily at Noon as Reported by
The Bank of Canada
Week Ended June 11, 1954

Mon.	....98 9/32	Thurs.	...98 5/32
Tues.	....98 7/32	Fri.	.....98 6/32
Wed	.....98 6/32	Ave.	...98 33/160

MISERICORDIA HOSPITAL, Winnipeg, has sold $1,250,000 15-year 4% first mortgage bonds to L. G. Beaubien & Co., Montreal, and Harrison & Co. Western Ltd. Proceeds, together with $1,250,000 from Shea endowment, for construction of a new wing and renovation of present structure.

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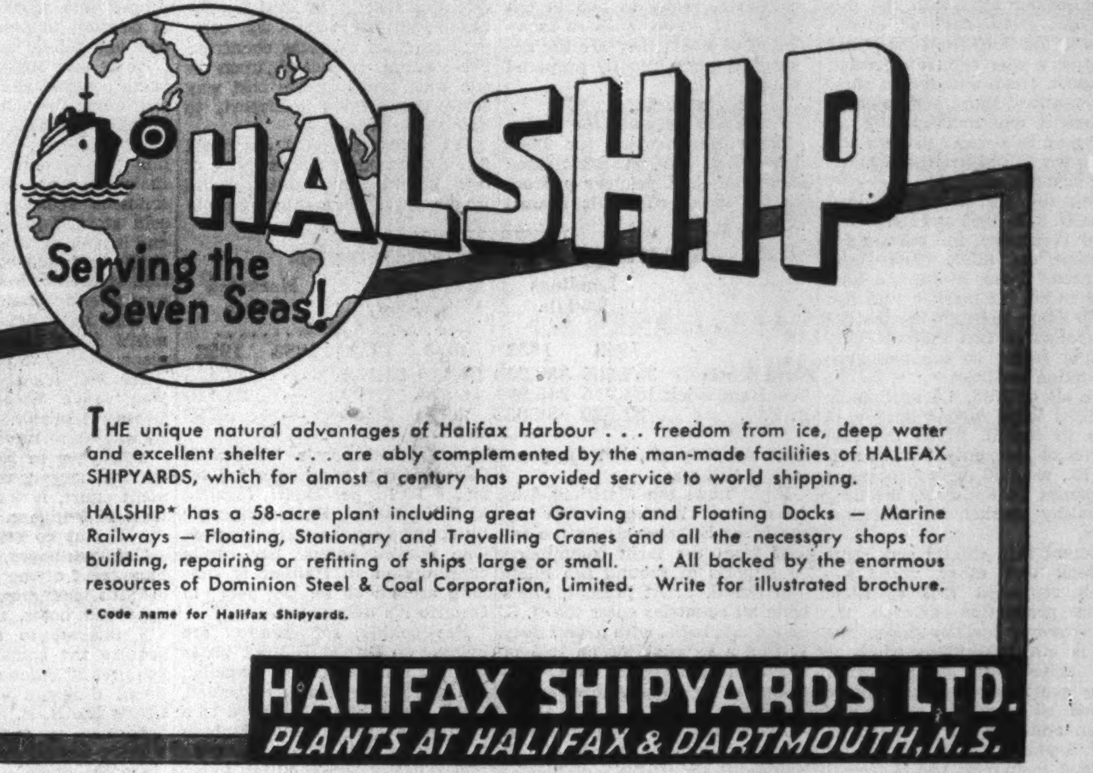

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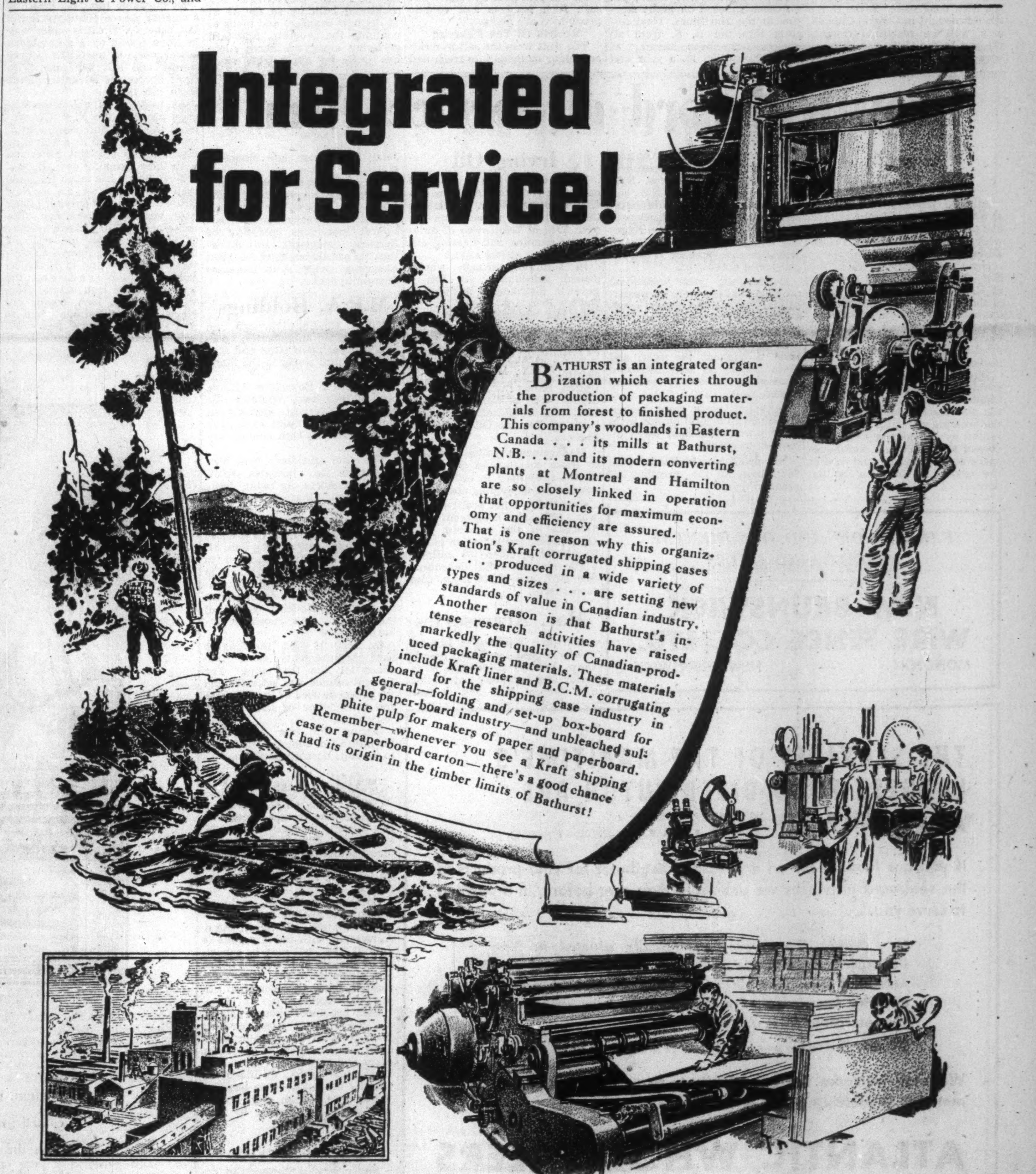

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Fish Sticks: A Rosy Market For Maritimes Catches

Here's A Sea Product With A New Impact On The $70 Million Fishing Industry

"It's one of the biggest things that has hit the fish business for a long, long time."

That's how R. G. Smith, assistant general manager of National Sea Products, Halifax, describes the impact of "fish sticks."

Pre-cooked fish—with the fish stick out front—reduced inventories in the U. S. from the heavy situation a year ago, refrigerated transport, fresh and frozen sales and improved shore and catching equipment and methods are all adding up to a rosier present and future for the $70 millions Maritime fishery industry.

With the stiff inventory load in the U. S. in 1953 and some consumer resistance, the market for Maritime cod fillets "just about collapsed." Then, in June, a Boston firm hit the market with fish sticks. From then on the market snowballed so fast that the only limiting factor so far has been production facilities.

For all of 1953, 7.5 million lb. of sticks were turned out by 13 firms in the U. S. In the first quarter of 1953, output was 9 million lb., with 50 more processing companies in the field, meaning a healthy market for Maritime fillets.

Ground fish, chiefly cod, some haddock and other varieties—which represent 75% of Nova Scotia production—provide the raw material for the sticks. The fish is cut into fillets three to four inches long, an inch wide, three quarters of an inch thick, packed 10 sticks to a package, frozen and shipped to the U. S. In U. S. plants the fish is battered, breaded, deep fried and re-frozen.

Since virtually all the cooking has been done so far in the U. S., the fish bought in Central Canada may well be Maritime caught, shipped to the U. S. and shipped back again. A stiff duty on cooked fish entering the U. S. has been the limiting factor in Maritime pre-cooked processing.

Reasons for the quick popularity of the sticks are not hard to find:

—They're convenient, neatly packaged, ready to pop in the oven and serve. With so many wives at work, they are the answer to quick, readily prepared meals.

—They're tasty.

Tariff Pressure On

The bigger demand for fillets in the U. S. has somewhat eased clamor by U. S. primary producers for increased tariffs against fresh fish imports, but the pressure is still on.

Bounty From The Seas

	Landings '000 lb.		Landed Value $ '000		Marketed Value $ '000	
	1953	1952	1953	1952	1953	1952
Nova Scotia	365,566	389,208	21,410	21,152	—	42,435
New Brunswick	185,216	245,994	6,673	7,499	—	20,410
P. E. I.	31,520	30,058	2,814	2,564	—	3,759

Right now, the Maritime fisheries are awaiting action by President Eisenhower on the report from the tariff commission on imports of ground fish fillets into the U. S. At present, fillets from all countries enter the U. S. on a quota basis, with lowest duty at 1⅞c a lb. applying on 15% of the total tonnage of U. S. consumption for the past three calendar years.

After the quota is passed, tariff rate goes up to 2½c per lb., which represents about 12½% on today's market. Any increase would put a serious squeeze on profit margins in the Maritimes. Total imports into the U. S. from all sources have been running at some 100 million lb. a year and the quota at some 32 million lb. a year, or about one third of total fresh fillet imports.

As a result of the current supply-demand picture, partly due to the public acceptance of pre-cooked fish, there has been considerable easing—at least for the time being—from price war competition from overseas countries. Pre-cooking is locked upon as one way, probably the best way since refrigerated transport, to increase fish sales.

It's estimated that increased fish consumption domestically of one pound per capita would largely solve fish marketing problems for both coasts. Meanwhile Canadian consumption of fish remains 14 lb. per capita (against 85 lb. in Japan). Fisheries people think they can boost that figure. One reason: annual per capita consumption in Halifax is running around 35 lb. per year; in Ontario it's only about 6 lb.

Pre-cooking, refrigeration are helping to spread Halifax tastes inland. But until the Canadian fish market is greatly expanded, there seems little likelihood of a rash of new pre-cooking plants in the Maritimes. The processing means heavy capital outlay, tough technical problems and high unit cost. Rich markets and volume production are necessary.

Rebirth Of The Fisheries

The shift from the salt fisheries and older methods into fresh and frozen, with cold storage units, new filleting plants and modern draggers to scoop in the ground fish marks a "rebirth" of the Maritime fishery industry. The salt fishery remains an important part of the industry, but it has slipped into more realistic focus in relation to markets, competition and public tastes.

Horse and buggy equipment is being beached and modern methods taking over. New Brunswick, for example, has pumped $10 millions in new capital investment into the ground fish industry since the war. The N. B. Government sponsored a public cold storage plant at Shippigan and is making streamlining of the N. B. fishing fleet possible, at a rate sufficient to keep abreast of new filleting plants.

"The New Brunswick Fishermen's Loan Board accepts the responsibility to procure the fish. After that it's up to the fishermen," says William A. Moore, Deputy Minister, Department of Industry and Development.

This year in New Brunswick, outlook, largely through government effort, is for production at least 15% higher.

Aid To Fishermen

The loan board, agency for disbursement of the federal subsidy of $165 per gross ton for new approved boats, makes loans at 4% interest to help fishermen acquire the boats. The province requires 30% down on the $40,000 diesel draggers which are face-lifting the N. B. fleet, but allows fishermen to apply the federal subsidy against the 30%.

On the north shore and in the Bay of Fundy, the province has sponsored building so far of 52 of the new draggers and plans to continue the program. Standard of living along the north shore has gone up appreciable since the fisheries modernization program began. On the eastern shore, lobsters remain the greatest dollar earner and more attention is swinging to the south shore.

N. B. sardine catches in the past few years have not been good. While sardine runs seem to move in cycles, a new flowing and bottom trawl sardine catching method has been introduced by the federal Atlantic biological station.

One bright prospect being studied by both New Brunswick and Nova Scotia is herring. The Gulf herring runs have what is described as "terrific potential which requires big capital and lots of know-how."

The herring run lasts about three weeks in the spring and three weeks in the fall. In the spring the fish is slim, suitable for certain food varieties and fish meal and oil. In the fall: bloaters. It's felt imported curing know-how might help the east coast food herring industry.

In Nova Scotia, persistent rumors suggest a multimillion herring development, involving U. K., Canadian and U. S. capital and "the largest herring exporter in Europe" may be in the cards.

Higher Fish Prices

Sale of fresh fish to the filleting plants has been a boon to the fishermen. Since he doesn't have to salt and store his fish he has more time to fish. He's using bigger, faster boats and better catching methods, including the latest electronic gear to help him both navigate and locate schools of fish. Net result is higher income.

At the same time, it's meaning a smaller source of supply to the salt fisheries. Work is under way in Nova Scotia on a gasoline power dory to keep salt fishery supply and salt fishermen's income abreast of advances in the fresh fish field.

As part of its aid-to-the-fisheries program the N. S. Government this year purchased a 40-ft. trailer, to be used as a traveling classroom to acquaint fishermen with their spanking new engines.

Nova Scotia has much the same system in operation as New Brunswick in supplying sleek new vessels to fishermen. The fishermen get the Ottawa subsidy of $165 per gross ton on new draggers and long liners—on anything over 45 ft., up to 65 ft. The federal subsidy reduces the amount of the loan needed from the provincial loan board, but Nova Scotia fishermen have to find their 30% equity first (20% on diesel craft in Nova Scotia). Nova Scotia fishermen can get the loan on boats and engines and occasionally on echo sounders and other electronic equipment, but not on fishing gear.

Market Outlook Brighter

In all three Maritime provinces old stock fish has been moving off "fairly satisfactorily" in recent months as markets pick up and last year's big surplus supplies overseas, particularly Iceland, are worked off. The narrower spread between the U. S. and Canadian dollar has helped boost returns. Nova Scotia is looking to South America for market prospects.

The east coast is taking stock of its raw material too. The fourth annual conference of the International Commission for Northwest Atlantic Fisheries met in Halifax last month with delegates from Canada, Denmark, Iceland, Italy, Portugal, France, Britain, Norway, Spain and the U. S.

Permanent headquarters of the Commission were set up in Halifax last September. The Commission has long-range plans for conserving the bounty of the Atlantic which so far have included:

—Regulations fixing a minimum size mesh for nets used by haddock fishermen working in New England waters, enabling "baby" fish to slip through. It's reported some Nova Scotia fishermen have adopted the net voluntarily.

—Statistics on fish landings and catches in international waters.

—Hydrographic research to find out more about fish migration.

The Commission is aiming at once for big catches by the fishermen of the countries concerned and conservation of one of the world's greatest resources.

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Growth Record of Service Firms

Atlantic Wholesalers

Atlantic Wholesalers Ltd. acts as a wholesale distributor of food and other products in New Brunswick, Nova Scotia and Prince Edward Island.

Head office is at Sackville, N.B. Company operates branches at Campbellton, Bathurst, Newcastle, Moncton, Sackville, Sussex, Lancaster, Saint John and Grand Falls, N.B., Amherst, Springhill, Parrsboro, Truro, Digby and Yarmouth, N.S.; Charlottetown and Summerside, P.E.I.

During the year the subsidiary company W. L. Logan Ltd., at Chatham, N.B., was closed and the warehouse sold. In Bathurst, the building which up to now was rented by the company was purchased and additional warehouse space constructed to take care of the expanding business in that area.

Company acquired the controlling interest in R. McGregor & Sons Ltd., New Glasgow, N.S., with a branch at Truro, N.S., and their wholly owned subsidiary, MacKenzie, Irish & MacDonald Ltd., Pictou, N.S. Produce rooms and equipment were installed in New Glasgow to assist in the expansion of operations.

During the year additional produce facilities were constructed at Truro and a fruit and produce branch opened at Charlottetown.

Sales were maintained at a high level throughout the year, and gross margin on sales increased fractionally over the previous year.

Operating costs were higher, and although federal income taxes were lower, municipal taxes increased to $36,028.

Net profit was higher by $22,992 than in the previous 12 months.

Irving Oil

Irving Oil Co. is a holding and operating company. A major distributor of petroleum products in the Maritimes, it accounts for over 30% of total sales of automotive gasoline and heating oils in the region at last report.

In addition, through wholly owned subsidiaries, it has a growing distribution business in Quebec Province.

At last report, company had, through wholly owned subsidiaries, an investment of over $4 millions in partly owned subsidiaries. This was represented by 99.25% of the capital stock of United Sales Ltd., 97% of the capital stock of Canada Veneers Ltd., and 86.3% of the capital stock of Eastern Oil & Service Stations.

Management's policy has been to leave earnings in the partly owned subsidiary in order to finance their expanding operations.

Consolidated net profit in 1952 was $631,137, compared with $785,982 in the previous year. Outstanding capitalization at Jan. 31, 1953, included $6 millions 5¼% sinking fund debentures due 1967, and 40,000 n.p.v. common shares.

Mar. Accessories

Maritime Accessories Limited, wholly owned by United Service Corp., handles automobile accessories and equipment at Halifax and Sydney, N.S., and at Saint John, Fredericton and Moncton, N.B.

The company controls Atlantic Chevrolet-Oldsmobile Ltd., Halifax.

Maritime Accessories does not submit individual operating or financial statements for publication. Its parent company has been recording steady sales increases in recent years.

M.R.A. Holdings

M.R.A. Holdings, through two wholly owned subsidiaries, operates a department store and several furniture stores in the Maritimes.

Manchester Robertson Allison, one of the two, operates the Maritimes' largest department store, located at Saint John, N.B. It celebrates its 88th anniversary this year.

The other subsidiary, New Way Furniture Co., operates retail furniture stores in Saint John, Fredericton, Charlottetown and Halifax.

Profits before income taxes increased from $577,000 to $630,000 in the fiscal year ending Jan. 31, 1954. Net profits amounted to $323,000, and were equivalent to 5.4 times the dividend requirements of the preferred shares outstanding. Working capital of the company now stands at $2,340,000.

On May 1, 1953, the sinking fund requirements came into effect for the first time. The amount needed was set aside and the proceeds used in the purchase and cancellation of 1,236 preferred shares.

During the year New Way Furniture Co. added a fifth store to its units now in operation.

SMT (Eastern)

SMT (Eastern) Ltd. operates a passenger and freight motor carrier system in New Brunswick and Prince Edward Island, with direct connections to Nova Scotia and U. S. points. Control is held by interests associated with Irving Oil.

Company holds an exclusive franchise to operate the transportation system of Saint John. Agreement with the city runs to July 31, 1961, but may be canceled by the city at 18 months notice if a plebiscite of the citizens decides to place transportation under public ownership.

SMT has undertaken to pay the city 2½% of its gross revenues from fares in the Greater Saint John area in lieu of all rates, taxes and assessments other than real estate taxes, to indemnify the city against possible loss that might result from any lawsuit that might be brought by New Brunswick Power Co.

Super-Service

Super-Service Stations Ltd. operates or controls some 160 service stations in the Maritimes. Head office is in Halifax and all the company's outstanding stock is controlled by United Service Corp., a holding company.

Net current assets at the year end were $816,259. The decrease in working capital from 1952 was caused by the increase in capital expenditures in properties and by the financing of new dealers.

Investments of $562,782 show an increase of $145,331 over the previous year. Additions to the wholesale bulk storage plants and retail service stations meant an expenditure of $197,502 and total

(Continued on page 51)

Maritime

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Our Branch Warehouses strategically situated in New Brunswick, Nova Scotia and P.E.I. have in the past year increased from 18 to 20. Our salesmen all with a good working knowledge of merchandising, have within one year increased from 55 to 65.

Weekly and twice weekly contact is made with most grocers.

We shall welcome the opportunity to acquaint you with our proven methods of merchandising and selling.

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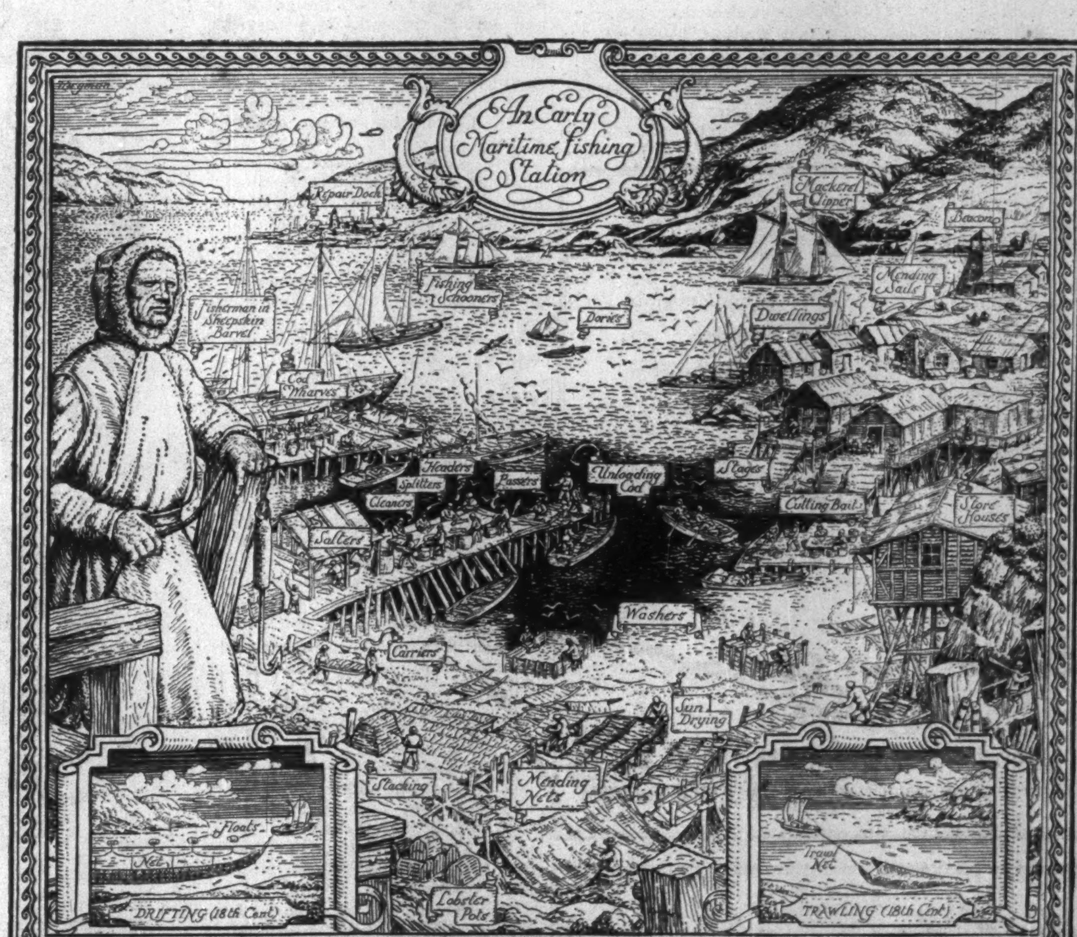

Start of a $200,000,000 Industry

FISHING IS Canada's oldest industry—and is still of paramount importance in the coastal provinces. Today, the marketed values of all fisheries products for Canada, from the famous cod of Newfoundland to the no less famous salmon of British Columbia, total approximately two hundred million dollars yearly. Canada leads the world in monetary returns from the export of fishery products.

Our branches are located at key points to provide banking service to the fishing industry.

The Canadian Bank of Commerce
More than 650 Branches across Canada

B-43

PEI's Doorstep Fisheries

Design New Boat To Harvest Gulf Wealth

Prior to 1950, E. M. Gorman, then in the fish business on Prince Edward Island's north shore wasn't hesitant about making suggestions to the P.E.I. Government on what might be done to improve the important P.E.I. fishing industry. The industry had a lot of other spokesmen who carried sound ideas to the Government

Finally the late Premier Jones felt the time was right. He said, in effect, to the fishermen, you're going to get full time help, and to Gorman, in particular, you're it.

The Fisheries Division of the Department of Industry and Natural Resources was formed and Gorman was named director. Since then, energetic, studious E. M. Gorman has put a good many of his own and other ideas into effect, giving a firmer and broader base to new growth for the P.E.I. fisheries.

He attacked two basic problems: P.E.I. fishermen were putting too much emphasis on the lobster; the fishermen were using outdated methods in the face of today's keen competition. As Gorman sees it, Prince Edward Island has some one million acres of fertile land and countless acres of bountiful sea. The annual "take" from the sea is about one-twelfth of what it is from the land. He set about "to close that disproportion," and at the same time improve standards of living in the shore communities.

Emphasis On Lobster

Up until 1950, the Island hadn't gone into processing of fillets. Ground fish were just incidental to the lobster fishery, with shellfish accounting for 62-80% of the total dollar turnover. For two months in the fall and two months in the spring, the average P.E.I. fisherman goes out with one partner in a small open boat just offshore to handle lobster traps. In off seasons, they're out in the same small boat with lines over the side for ground fish and other varieties.

But Mr. Gorman sees lobster as a luxury item — come tougher times and people "can do without" lobster. And with fresh, fresh frozen fillets and fish sticks, etc., on the market, saltfish prices have plummeted.

Now, says Gorman, P.E.I. has "cottoned" to the idea of modernization of equipment and marketing methods.

"The Gulf of St. Lawrence is now what the Grand Banks have been," he says. "You can tow a net in the Gulf and get as many lobster larvae in a day as you can get in a week in other famed spots."

'The resources are tremendous. We're only working on 5% of mortality, so there's no fear of running out."

Once he and other fisheries experts had established this tremendous resource in P.E.I.'s front yard, Gorman had to "sell" it to local fishermen. They thought in terms of the Grand Banks for ground fish (cod, haddock, whiting, flounders, etc) and in the main stuck close to P.E.I. shores in their small boats.

Design Own Boat

Gorman, who admits P.E.I. fisheries were "20 years behind," recognized the first need as a boat specifically suited to P.E.I. needs. To Fisheries Division specifications, a 60-ft. dragger was designed by a Boston firm and put into service out of Souris in 1950, initially with Gorman himself going out to prove what could be done with the right equipment.

The electronically equipped boat was a foot wider, deeper and heavier than draggers operating elsewhere. P.E.I. could sacrifice speed for localized efficiency. North shore ports are only 15 to 60 miles from rich Gulf grounds; average trip is just over three days.

The new boat proved itself in 1950. In 1951, three of the new models came into service.

"This summer," Mr. Gorman told The Post, "we'll have 12 of these boats in the water and one plant working in Souris which handles the production of frozen fillets and fish meal for all the boats."

All the boats are owned by the fishermen as a result of federal and provincial assistance. The P.E.I. fishermen are required to put up 30% of the $40,000 cost of the boats and the P.E.I. Government will loan the rest at 4½% a year. Then 12½% of their gross landing is deducted by the buyers and sent to the fisheries loan board in repayment of the loan.

In addition, since the fishermen used to operating out of small boats, may have difficulty in raising their 30% of $40,000, they can apply the Ottawa subsidy ($165 per gross ton, which equals some $8,000 on the P.E.I. boat) as part of their 30% equity. Thus one fisherman or a group of fishermen can acquire a $40,000 boat for an initial outlay of about $4,000, plus $1,000 for gear, then work out the loan on their catch only — paying for the boat in 8 to 10 years and making more money meanwhile.

As an example, deck hands on the new boats are picking up some $2,600 and found a year as their share of the catch for eight months work.

Fishery Returns

The fresh and fresh frozen operation is meaning higher returns than the old dried and saltfish system. And the fish varieties readily available to the P.E.I. fisherman are worth more. Haddock, for instance, a profitable fish, made up almost 60% of total ground fish value for P.E.I. last year, with the lower paying cod at only 6.6% of landed value. In some provinces, these figures are reversed, with cod a leading variety.

The Island's New 60-Footer

P. E. I.'s new 60-ft. dragger was especially designed for the province's fishermen. This summer 12 of the boats will be in operation off P. E. I. shores supplying new government-sponsored fish filleting plant at Souris.

The new plant at Souris, operated by Eastern Fisheries Ltd., was built with "the encouragement and aid" from the government. It now employs 125.

For the future, Mr. Gorman hopes to "duplicate our efforts at Souris and expand our economy towards the sea." Georgetown, on the west coast, could become the next site for a fresh and frozen fish plant.

Gorman thinks the new 60-ft. boats may be acquired at the rate of about one a year from now on, "maybe two some years." Meanwhile he's working on a program to mechanize the 1,200 to 1,500 small fishing boats around P.E.I. shores so that they might operate nets rather than a couple of lines over the side.

Another thing he wants to encourage and go after more seriously is Irish Moss, which is currently picked up around P.E.I. and Nova Scotia as storms toss it in. Last year 10.5 million lbs. was picked up, with a landed value of $126,675 and a marketed value of $242,928. With interest growing in the product, which grows on rocks between the high and low water since the war when supplies from the east were cut off, he thinks a system of raking or machine picking might pay off.

Growth Record of Service Firms

(Continued from page 50)

investment in properties is now $4,361,389. Additional expenditure for transportation equipment was $78,889.

Net profits for the year, including non-operating profits of $15,168, but after providing for depreciation of $246,360, were $315,972.

Dividends paid were $43,500 and after provision of $168,897 for income taxes, the balance transferred to surplus was $154,411.

United Fruit

United Fruit Cos. of Nova Scotia Ltd., Kentville, N.S., is one of Canada's largest fruit marketing co-operatives. It is now in its 42nd year of operation and comprises 46 local companies and co-operative organizations extending through the Annapolis Valley area. Membership totals over 1,200 fruit and vegetable growers.

Business has been curtailed somewhat in recent years owing to reduced production of apples in the area. The 1953 crop of 1.1 million bushels was the smallest for many years.

Four modern cold storage and packing plants are operated by the company, with a capacity for nearly a million bushels of apples. Less than 200,000 bushels were cold stored last year.

Shortage of apples has also cut down company's own processing operations. Drying plant at Berwick was not in use last year, and production of apple sauce, juice and canned apples at the Middleford and Aylesford plants declined.

Considerable expansion has taken place in the pre-cooling and packaging of fresh vegetables. Sweet corn program increased substantially in 1953 and several new lines were marketed. Experimental packs of fresh frozen strawberries, blueberries and corn were put up last year and prospects, especially for the two former, look good.

Company's experiment with the production of dehydrated grass and legume meal as an ingredient of poultry and livestock feeds has indicated that they can be produced successfully. It is hoped to extend the production of grass meal to the Middleton plant during the summer when apple processing is at a standstill.

High prices returned to apple growers last year and, coupled with strong hopes of resumption of exports to Britain, have resulted in much more interest in orchard operations in 1954. Weather conditions to date have been favorable, and there is reason to expect a considerable increase in production.

United Service

United Service Corp. controls a number of merchandising companies allied with the automotive field and operates Acadian Lines, a bus line. Head office is in Halifax.

United holds a controlling interest in:

Annapolis Valley Motors Ltd., Kentville, N.S., whose subsidiaries, Aberdeen Motors Corp. and Maritime Bus Corp. operate bus services betwer. Kentville, Aylesford and Wolfville.

Avonian Motors Ltd., Windsor, N.S., automobile sales and service.

Halifax Motors Ltd., automobile sales and service.

Manning Equipment Ltd., Halifax, wholesaling refrigerators, electrical supplies, radios, etc.

Maritime Accessories Ltd., Halifax and Sydney, N.S., and Saint John, Fredericton and Moncton, N.B., automobile accessories and equipment, which controls Atlantic Chevrolet-Oldsmobile Ltd., Halifax.

Super-Service Stations Ltd., Halifax, operating or controlling some 160 service stations.

Nova Scotia Acceptance Corp., Halifax.

Harbor Motors Ltd., Dartmouth, N.S., automobile sales and service.

Total sales last year represent a new high for the companies, standing at $13,002,191, compared with $11,536,243 in the previous year. Net profit was down 9.4% at $437,754 ($483,238).

Capital expenditures during the year totaled $282,427. Acquisition of buses, trucks and automobiles required an expenditure of $105,432.

Zeller's

Zeller's (Nova Scotia) Ltd. and Zeller's (N. B.) Ltd. are operating subsidiaries of Zeller's Ltd. which controls a Canada-wide chain of specialty and variety stores. The Maritime outlets are located at Halifax and New Glasgow, N.S., and Fredericton, Moncton and Saint John, N.B.

In 1952 company opened a new store in Saint John to replace one destroyed by fire. It is completely modern and equipped with the latest type of fixtures. The Moncton store is presently being enlarged by the inclusion of adjoining space.

Separate financial statements for the two Maritime subsidiaries are not issued. Consolidated sales of the parent company reached a new high in 1955 amounting to $35,762,401, an increase of 1.85%. The abnormally warm weather in the fall adversely affected sales during that period.

Number of stores in operation is 37 with 15 Federal stores.

Consolidated net profit for 1953 was $1,575,473, 12.1% higher than consolidated net for 1952 of $1,405,607.

A recent statement says that sales for the first quarter of 1954 were up 3.4% over the same period of 1953, and increase would have been greater but for the late Easter and poor weather in March.

Company reports that there is every indication that the affiliation with W. T. Grant Co. will substantially assist future progress.

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Through our head office in Halifax, N.S. and branch offices in Saint John, N.B. and Sydney, N.S. pass, in great volume, products of many of the world's leading manufacturers.

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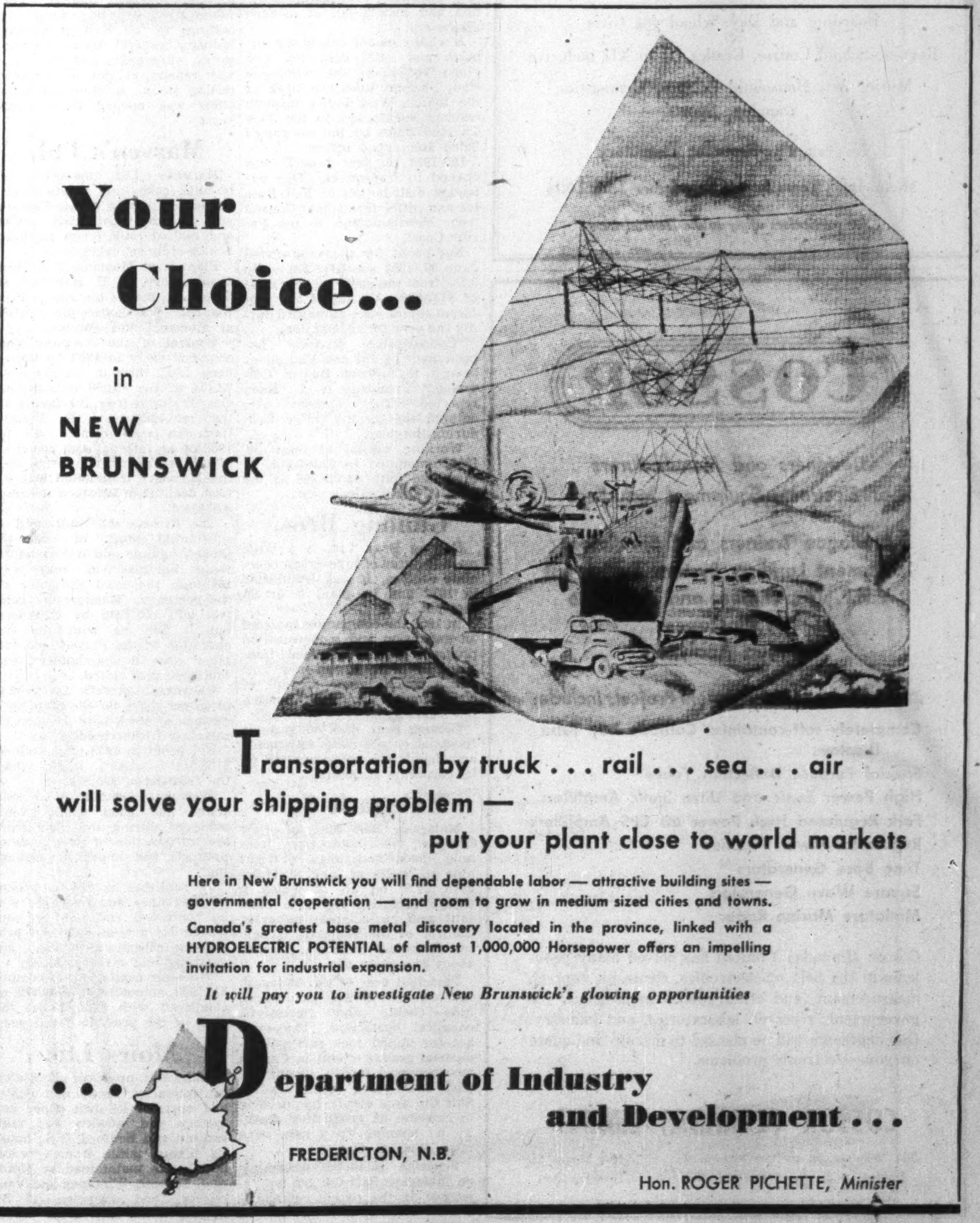

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The Progress Record Of Maritimes Industrial Firms

Acadia-Atlantic

Acadia-Atlantic Sugar Refineries Ltd. refines raw cane sugar, directly and through its subsidiary, Atlantic Sugar Refineries Ltd. Some 50 or more different grades and packages of sugar are produced and sales are estimated at 35%-40% of total sugar consumption from the Atlantic seaboard to the eastern boundary of the Prairies.

Another subsidiary, Atlantic-Acadia Sugar Sales Co. handles sales, marketing the output through wholesale outlets and chain stores directly to manufacturers of sweetened goods, including soft drinks.

The company's active refinery at Saint John, N.B. has a daily capacity of 1.5 million pounds. A second refinery near Halifax, had a daily capacity of 1,250,000 pounds but it has been closed since 1942.

Net profit in 1953 was $1,269,430 — 37.7% higher than the 1952 net of $922,059.

Net capital expenditures during 1953 were $221,952. Working capital at Dec. 31, 1953 amounted to $6,913,310, as against $547,248 at the close of the previous fiscal year.

"To provide for Canada's growing population, the company has been planning a substantial program of plant modernization and expansion which is scheduled to commence in 1954," President J. A. Gairdner stated in his last annual report.

Connors Bros.

Connors Bros., established in 1923, operates as a packer of sardines, herrings, kippered snacks, and other sea foods at Black's Harbour, N.B. The company produces over 90% of the domestic sardines packed in Canada. As well as selling nationwide, company has a large export business.

Head office and main plant are located at Black's Harbour with branch plants at Freeport, N.S., Beaver Harbour, N.B., and in Newfoundland.

Brand names include "Glacier," "Brunswick," "Jutland," "Old Salt" and "Connors." Sales representatives and connections are maintained in South Africa, New Zealand, India, Singapore, Hong Kong, Mauritius, and the West Indies, Central America and the United States.

The company's secretary, M. L. McLean, states that the highlight of the company's 1953 operations was the scarcity of fish which curtailed production.

"Markets and business in Canada were good and demand was steady. Trade in foreign territory, particularly in the sterling area countries, was limited, due to import restrictions imposed by the respective governments," he told The Post.

Enamel & Heating

Enamel & Heating Products Ltd. turns out a wide variety of products at plants in Sackville, N.B. and Amherst, N.S., They include a broad range of "Fawcett" cooking and heating appliances (ranges, heaters, cook and boat stores, warm air furnaces, air conditioning equipment, etc.), Enheat concrete reinforcing steel and railway car wheels, and aircraft subassemblies.

In 1952, the company decided to cease production of cast iron sanitary enamelware and use the space — in the Amherst No. 2 plant — to provide increased facilities for new lines of cooking and heating appliances. President N. A. Hesler explained that a loss has been experienced in cast iron enamelware production, with little hope of any improvement.

Arrangements were completed with Florence Stove Co. of Gardner, Mass. to manufacture the complete Florence line of electric and gas ranges and gas heaters.

Enamel & Heating Products maintains warehouses at Montreal, Winnipeg and Vancouver. Head office is at Sackville. A subsidiary of the company, Amherst Stove & Furnace Co. was disposed of during 1952 at "a very satisfactory price."

Net profit in 1953 amounted to $105,098 — 3.8% lower than the 1952 net of $109,233.

On June 1, 1953, the Government cancelled the company's contracts for the tail assembly of T-36 aircraft and steps were taken to prepare claims and submit them for Government approval. A subsequent contract for repair and overhaul of components for Lancaster aircraft kept part of the aircraft division occupied.

President N. A. Hesler states that due to the fact that the U. S. associates of the company, Florence Stove Co., Gardner, Mass. was handicapped by strikes, the arrangement entered into for the manufacture in Canada for a complete line of ranges, did not get under way as quickly as expected.

During the year the plant at Victoria was disposed of under an arrangement whereby the foundry portion was sold to employees.

Working capital at Dec. 31, 1953 amounted to $1,492,830 as against $1,486,451 at the end of the previous fiscal period.

T. H. Estabrooks

T. H. Estabrooks Co. blends, packs and distributes Red Rose Tea and Red Rose Coffee. Main plants are located at Saint John, N.B. and six warehouses are maintained for storage purposes.

An auxiliary coffee plant is operated at Winnipeg and an additional tea and coffee plant at Montreal started production in 1948 following complete renovation and installation of modern machinery.

A wholly owned subsidiary imports and sells bulk tea and green coffee to the wholesale trade. Export sales are made in the British West Indies through resident agents and to the New England states by the company's Saint John head office.

In 1952, a new branch was opened in Vancouver. This extended distribution of Red Rose tea and coffee throughout Canada from Newfoundland to the Pacific Coast.

Net profit for the year ended June 30, 1953 was $151,256 — up 9.7% from the previous year's net of $137,830. A total of 563 preferred shares were purchased during the year for redemption.

"Considerable progress has been made by our new Vancouver branch throughout British Columbia," President H. L. Keen reported. The company also entered the instant coffee field during the year.

Working capital at June 30, 1953, amounted to $2,803,884, as compared with $2,720,306 at the close of the previous year.

Ganong Bros.

Ganong Bros. Ltd. is a large manufacturer of high-grade chocolate candies. It was established in 1872 and its plant is at St. Stephen, N.B.

In 1951 the company completed an expansion and modernization program which increased floor space by 30%. It can now turn out a much larger amount of confectionery than was the case a few years ago.

Ganong Bros. does not provide financial or operating statements and details are not submitted on its corporate structure.

Malagash Salt

Malagash Salt Co., of New Glasgow, N.S., holds large freehold lands and owns outright nine sq. miles of land at Malagash, N.S. on all of which it enjoys exclusive rights to mine salt and associated minerals. Control of the company is held by Canadian Salt Co., formed about two years ago.

Principal uses of the Malagash salt are for highway ice control, hide curing and electrolytic chemical operations. The market for mined rock salt and industrial grades of salt in Canada has increased rapidly during the past few years and Canadian Salt Co. as a result, has decided to increase its productive capacity by opening up a new mine near Windsor, Ont.

Separate financial statements on Malagash Salt Co. are not released. In the parent company's annual report, however, it was stated that all plants operated at capacity throughout the year.

Net profit of the parent company was $53,755 in 1953 as against $681 in the previous year. Working capital at Dec. 31, 1953 was $1,154,215 as against $1,053,733 at the close of the previous fiscal period.

Mar. Industries

Maritime Industries Ltd. produces evaporated salt at its modern salt manufacturing plant at Nappan, N.S., on the outskirts of Amherst. Output has been increasing steadily since the plant was brought into production early in 1947.

Leases are held from the Nova Scotia Government entitling the company to hydraulically extract salt over an extended area in which test drills have indicated a large body of good grade salt. The salt beds, 1,600 ft. under the plant, have an estimated thickness of 350 ft.

A substantial expansion program was launched at the Nappan plant early in 1952 and has increased capacity considerably. It was designed to ensure a continuing adequate supply for the company's market in the Maritimes and the eastern part of Quebec.

A considerable part of the increased output was expected to be processed in additional modern high-capacity equipment to produce the special grade of coarse salt used extensively by the Maritimes fishery industry for curing operations.

Maritimes Industries is a wholly owned subsidiary of Dominion Tar & Chemical Co. Separate financial and operating statements are not submitted for publication,

Mar. Steel & F.

Maritime Steel & Foundries Ltd. operates a foundry at New Glasgow, N.S., and carries out structural steel projects throughout the Maritimes. Construction equipment is built under licence from the U. S., while the foundry supplies castings for mining, manufacturing, shipbuilding and railway rolling stock construction.

Net profit in 1952 was $106,259 —14.1% lower than the 1951 net of $123,703. Working capital at Dec. 31, 1952, amounted to $633,500. United Steel Workers membership at the company went on strike late in October of 1953.

President Clyde F. Cameron told the Post that highlights of the past year were substantial structural work, one of the largest jobs being erection of an 2,800-ton steel cantilever hangar for the U. S. Engineer Corps base at Stephenville, Nfld.

During the year, the company produced 22 Bucyrus-Erie power shovels, cranes, and drag shovels for the Canadian market. The foundry was kept busy supplying castings to the Eastern mining industry, several Maritimes factories, shipyards, and for railway repairs, as well as for new rolling stock. A Montreal sales office was opened during the year.

Marven's Ltd.

Marven's Ltd. manufactures biscuits, cakes and potato chips. Products are sold across Canada and include shortbreads, sodas and malted milk lunch biscuits, Scotch-style oat cakes, etc.

Plant is at Moncton, N.B., and a subsidiary, G. H. Hamilton & Sons Ltd., makes biscuits in Pictou, N.S. Warehouses are located at Montreal and Toronto.

Control of the company was acquired early in 1953 by Canadera Ltd., through purchase of 22,454 of the 40,000 outstanding class B shares from the family of the late Clarence E. Fraser. Canadera was formed late in 1952 by an international group to invest in Canadian industry and the Marven's transaction was its first deal. Sum involved was not disclosed.

The Frasers will still hold a substantial block of class B shares, having sold only part of their holdings in order to maintain the local character of the company. Management control will be held by Canadera but it will be with the cooperation of the Frasers and the other class B shareholders, the Maritime firm stated.

Canadera offered the same price per share for the same percentage of stock held by each of the class B shareholders.

Net profit in 1953 amounted to $108,511 — 19.9% higher than the 1952 net of $90,501.

President Donald A. Fraser states that good results were achieved during the year from the introduction of new lines of products and improved packaging.

He said that in 1954 the accent on new lines and packages will be continued and will be supported by a well balanced programme of sales promotion, advertising and merchandising.

Working capital at December 31, 1953, amounted to $701,772, as compared with $663,453 at the close of the previous fiscal year.

Moirs Ltd.

Moirs Ltd. produces chocolates, confectionery, bread and cakes, and operates its own paper box factory and wooden box mill. Halifax and Bedford, N.S., house its plants, while branch warehouses are maintained at Montreal, Toronto, Winnipeg and Vancouver, and agencies in St. John's, Nfld., the West Indies and South America. Export business amounts to about 4% of total sales.

At last report, daily capacity of the plants included about 50,000 lb. of chocolate and confectionery products. The bakeries are reported to have a capacity of 15,000 loaves of bread and 7,500 lb. of cake, the paper box company 15,000 boxes daily. Lumber for the wooden box plant is supplied from the company's own timber limits.

The company's 1953 operation resulted in a profit of $204,339, as compared with $390,425 in 1952. These figures, however, do not include provision for bond interest ($12,150) and depreciation ($187,686), which leaves a net profit of $4,503, with the comparative 1952 figure being $223,472. A sum of $50,000 has been provided for federal taxes in dispute.

During the year over $100,000 was spent on new plant and equipment and $90,000 was provided for the retirement of bonds.

President J. C. MacKeen has stated that the major problem continues to be federal sales and excise taxes.

"The confectionery industry in Canada continues to suffer from a serious discrimination in the application in the sales and excise taxes. Canadian manufacturers are required to pay the taxes on the basis of their wholesale prices, while importers are permitted to pay on the duty paid value. Legislation should be enacted to correct this inequity, which is undermining the Canadian candy industry," he declared.

Nat. Sea Prod.

National Sea Products Ltd. produces, processes and distributes fresh, frozen and smoked fish and fillets; canned fish, salted and dry and pickle fish; fish meal, fish oils and glues. A substantial interest is held in a fleet of fishing vessels and the company operates cold storage warehouses in several localities in Nova Scotia, with distributing houses in Montreal, Ottawa and Toronto.

The major innovations in the company's operations during the past year have been experiments with pre-cooked fish. New packages are being designed and marketing possibilities of this interesting new trend are being examined.

A modern cold storage warehouse was built in 1952 for the storage of the company's products in the Toronto area.

Formally opened in June 1952, a freezing and fishmeal plant at Louisburg, is run by Louisburg Fisheries Ltd. (formed jointly by National Sea Products and Gorton-Pew Ltd., of Gloucester, Mass.) It is expected to handle 40 million lb. of fish this year.

National Sea Products has been expanding its trawler fishing fleet substantially in the past two years, with five new trawlers added recently to raise the total fleet complement to 17 vessels, biggest in the company's history.

Subsidiaries of National Sea Products include Leonard Bros.

(Continued on page 53)

Construction of Camp Gagetown, Canada's largest army training establishment is now well under way and New Brunswick's mineral fields will soon be in production. This means new families and new payrolls to substantially increase buying power in CFNB's coverage area.

The most effective and least expensive way to reach this increased New Brunswick market is to use CFNB.

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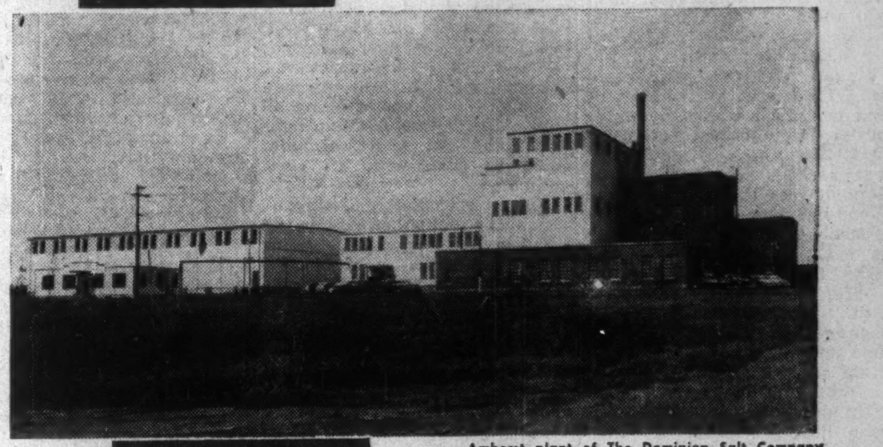
MONCTON NEW BRUNSWICK



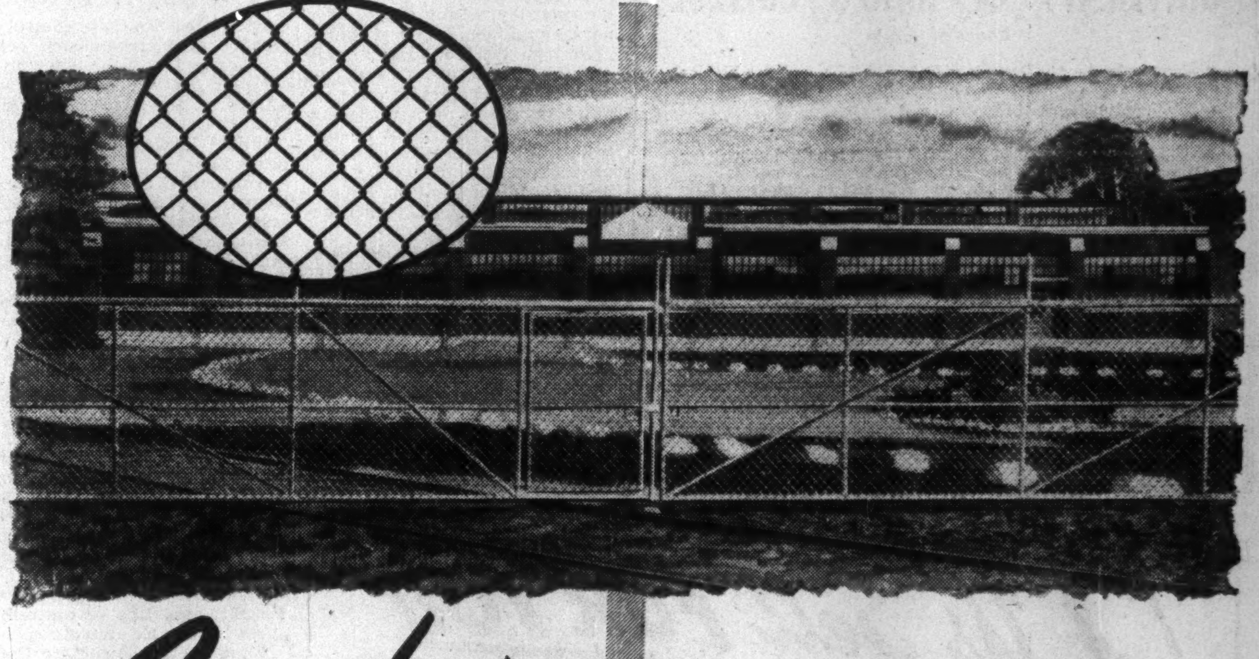
Amherst plant of The Dominion Salt Company Limited.

H. G. ACRES & COMPANY LIMITED

CONSULTING ENGINEERS

NIAGARA FALLS

CANADA



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CANADIAN STEEL CORPORATION, LIMITED, Ojibway, Ont.

CANADIAN TUBE & STEEL PRODUCTS, LIMITED, Montreal, Que.

Divisions of

DOMINION STEEL AND COAL CORPORATION, LIMITED

How Industrial Companies Are Progressing

(Continued from page 52)

(Newfoundland); Banks Ltd.; Nepigon Fisheries Ltd.; Lunenburg Sea Products Ltd.; Nickenson Bros. Ltd.; Lapointe Fish Ltd. and an approximate 80% interest in O. Hattan Co.

Control of the company was sold recently to three Nova Scotia businessmen — C. J. Morrow, Lunenburg, W. S. Lee and R. G. Smith of Halifax.

Vice-President and General Manager W. Stanley Lee told The Post that 1953 was not too favorable to the Nova Scotia fishing industry.

"Early in the year, there was a heavy accumulation of inventory, particularly in the U. S., which resulted in very weak prices all during the spring and summer, but this situation has been partially corrected. Much of the current improvement can be attributed to amazing development of fish sticks in the U. S., where the quantities being produced and marketed are growing by leaps and bounds. The current market, while not too high in price is much firmer, with current stocks in a healthy position," he said.

N. B. Oilfields

New Brunswick Oilfields Ltd. is engaged in the production and sale of natural gas and the production, refining and distribution of oil and oil products.

Supplies are drawn from the Stoney Creek Field, nine miles southeast of Moncton. The company serves Moncton and district with natural gas and markets gasoline, furnace oil, and heavy fuel oil locally.

N. B. Oilfields also holds a 99-year renewable lease on natural gas and petroleum rights covering 10,000 sq. miles in New Brunswick. Earlier last year, the company reported that negotiations were under way on sale of its assets to Stanwood Oil Corp., of Pennsylvania. The latter was said to be planning substantial expenditures on oil and gas exploration in New Brunswick.

President Reginald B. Elwell, states that the negotiations have not been successful. During 1953 one gas well was deepened in the Stoney Creek field but without success. Gas production for the year 1953 was 177,112 M.C.F., while oil production totaled 14,738 bbls. Net profit was $44,830 as compared with $45,542 for the previous year (the company's fiscal year ended at May 31, 1953).

At the end of the 1953 fiscal year the natural gas and oil reserves of the company less amount received with respect to sub-lease agreements and loss accumulated depletion were valued at $523,666. The company's capital stock consists of one million common n.p.v. shares of which 200,003 shares have been issued and paid up.

N.S. Textiles

Nova Scotia Textiles Co. manufactures a wide range of knitted goods in both cotton and woolen fabrics for men and women in its modern plant at Windsor, N.S. Sales are made across Canada and trademarks include "Windsor-wear" and "Evangeline" undergarments. During the war, the company expanded its plant facilities materially to meet war requirements. Financial and operating details are not provided.

NS Coal & Gypsum

Nova Scotia Coal & Gypsum Co., a wholly owned subsidiary of Gypsum, Lime & Alabastine, Canada, Ltd., owns a gypsum deposit five miles from Mabou, N.S. which has been idle for some years.

At last report, the parent company was not planning to operate the quarry, although it has been securing some of its requirements from other Nova Scotia deposits.

Robin, Jones & Whitman

Robin, Jones & Whitman Ltd. operates a trading and fishing business in Quebec, New Brunswick and Nova Scotia. Dried fish is exported, while boneless fish is sold all across Canada. Properties consist of warehouses and wharves at Halifax, and 26 branches, with 17 in Quebec, seven in Nova Scotia and two in New Brunswick. Head office is in Halifax.

The original business was established in 1766. On incorporation, company bought the assets of C. Robin Collas Co., A. G. Jones & Co., and Atlantic Fish Companies Ltd.

Net loss for the year ended Feb. 28, 1953 was $86,330, as compared with the previous fiscal year's net profit of $34,091. In the latest period a profit of $7,989 was realized from sale of real estate, plant, etc.

President A. N. Jones reports that disappointing operating results were due largely to decline in purchasing power on the Gaspé Coast through drastic curtailment in lumber, pulpwood and pitprop operations, and a serious decline in fish prices as well as substantial expenses incurred in reorganizing retail and fishing facilities on the Gaspé Coast.

"Expenses have been drastically reduced," Mr. Jones said "but no important profit can be expected unless the economical factors on the Gaspé Coast and world markets for fresh fish both show an improvement."

The Italian Government has again allotted Canadian dollars for the purchase of Gaspé-cured cod fish and substantial sales are reported to have been made at last year's prices.

No dividends were paid in 1953 with dividends on preferred shares being $67.50 per share in arrears on May 1, 1953.

Oland & Son

Oland & Son Ltd. directly and through a subsidiary, owns and operates two breweries in Halifax with a combined capacity of 300,000 bbls. annually. The "Oland" brewery is operated by the parent company, the "Keith" brewery by its wholly owned subsidiary, A. Keith & Son Ltd. The company and its predecessors have been established in the Nova Scotia brewing industry for 133 years.

Since the war, the company has spent over $3 millions on an extensive capital expenditure program. A policy of modernization and further expansion is continuing to maintain the two plants in most modern and efficient manner.

Brands include Olands Export Ale (the biggest), Old Scotia Ale, Olands Bavarian Lagar, Alexander Keith Pale Ale and Olands Extra Stout. Some 90% of sales are made in the Maritimes with the balance going to Quebec and the West Indies and the odd small shipment to other export markets. Dollar shortages have made it impossible to re-establish its once larger export trade with sterling areas. Figures for 1953 are not yet available, but consolidated net profit in 1952 amounted to $288,787 — 46.4% higher than the 1951 net of $197,289. Working capital at Dec. 31, 1952 totaled $531,230.

Stanfield's Ltd.

Stanfield's Ltd. manufactures high grade woolen and rayon underwear, sold under the trade names, "Stanfield's Unshrinkable" and "Novasilk." It also produces hand-knitting yarns.

Mill and head office are located at Truro, Nova Scotia, with offices maintained at Montreal, Winnipeg and Vancouver.

The company's 1953 figures are not yet available, but in 1952 net profit totaled $8,954 — down 70.5% from the 1952 net of $30,316. Company officials, however, stated that production to capacity was booked for the first half of 1953 and that full productive activity could be expected through the third quarter if not the entire last year.

Capitalization authorized and outstanding at Dec. 31, 1952 was 50,000 common shares, $5 par. Working capital at the close of 1952 totaled $2,340,424.

Standard Clay

Standard Clay Products Ltd. manufactures salt glazed vitrified and fire clay products, including sewer pipe, culvert pipe, concrete pipe, wall coping, flue linings, etc.

It owns five plants: three at St. Johns, Que., and two at New Glasgow, N.S. Total capacity is 30,000 tons annually. A new kiln was put into operation at St. Johns in 1945 to balance plant and kiln capacities. In 1951 a new concrete pipe unit was added at St. Johns.

Net profit for 1953 was $9,671, 0.6% lower than the 1952 net of $9,733.

President C. T. Trotter states that demand for the company's products was very light in the winter of 1952-53.

"To reduce inventories, manufacturing operations were suspended for four months at New Glasgow. The summer and autumn market was good, however," he states.

Working capital at December 31, 1953, totals $386,516, as compared with $384,563 at the close of the previous fiscal year.

Saint John Dry Dock

Saint John Dry Dock owns and operates one of the largest dry docks in the British Commonwealth, at Saint John, N.B. It is the only dry dock in Eastern Canada, available throughout the year, that will accommodate the largest merchant ships afloat.

The company is also engaged in dredging, marine contracting, and fabricating and erecting steel for building and bridges. The steel department is an important part of its business.

Net profit for 1953 was $360,790, an increase of 196.6% over the 1952 net of $121,628. Working capital at December 31, 1953 amounted to $2,166,775, as against $1,554,034, at the close of the previous year.

Sussex Ginger Ale

Sussex Ginger Ale Ltd. operates carbonated beverage plants in Sussex and Fredericton, N.B. and Halifax, N.S. It also operates its own distributing warehouses at Saint John and Moncton, N.B., and has distributors in various large centres throughout the Maritimes.

The year 1953 was one of the greatest for expansion in the history of the company. A warehouse was acquired in Moncton and the Fredericton manufacturing plant was enlarged by a 60-ft. by 120-ft. addition. Up-to-date machinery has been installed.

The company now manufactures and sells ten flavors of carbonated beverages throughout the Maritime provinces. A fleet of more than 50 trucks is operated and during 1953 a separate transportation department was set up.

Sales Manager H. A. Fredericks states that the popularity of Sussex Golden Ginger Ale and Pale Dry Ginger Ale continues to grow and that each year, for the past seven years, the volume of the company has steadily increased. He states that 1954 promises to be the biggest year yet.

Sussex Ginger Ale Ltd. was established in 1885, and next year will be celebrating its 70th anniversary.

Wallace Mfg.

Wallace Mfg. Co., Sussex, N.B., manufactures school furniture, refrigeration equipment, millwork, builders' supplies, store fixtures and lumber products in its wood processing plant. Lath machines, woodsawing machines, grey iron stampings, metal repairs and supplies are among the products manufactured in its foundry and machine shop.

Company sells in the export markets as well as in Canada, shipping part of its rough and dressed lumber to the United States and Britain. The plants handle about six million feet of lumber a year, from the log state to the finished product, and the sawmill has been turning out about four million feet.

Control is held by Associated Industries Ltd., Halifax.

Company Reports

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

Beverages

T. G. BRIGHT & CO., Niagara Falls, Ont., consolidated net profit for year ended March 31, 1954, was $242,840, 7.8% less than consolidated net of $263,298 of previous fiscal year.

Gallonage sales decreased slightly but decline was all in the low price field, states President Earl A. Thomas. It was largely offset by greater demand for other brands.

Dollar sales were slightly higher, after discounting volume from new retail stores. Increase in gross profit was more than offset by higher expenses.

Three new licenses were acquired in the past year and there are now additional retail branches at Niagara Falls, Cornwall and Hamilton.

Physical inventories of wine are down slightly but due to higher prices paid for grapes, value is higher.

Other major items in addition to fixed assets were $30,686 for a new cellar and $21,565 for a new bottling plant.

In research and farm operations, the president says although vineyards of special varieties have increased a little, there can be no large scale plantings for two or three years to come.

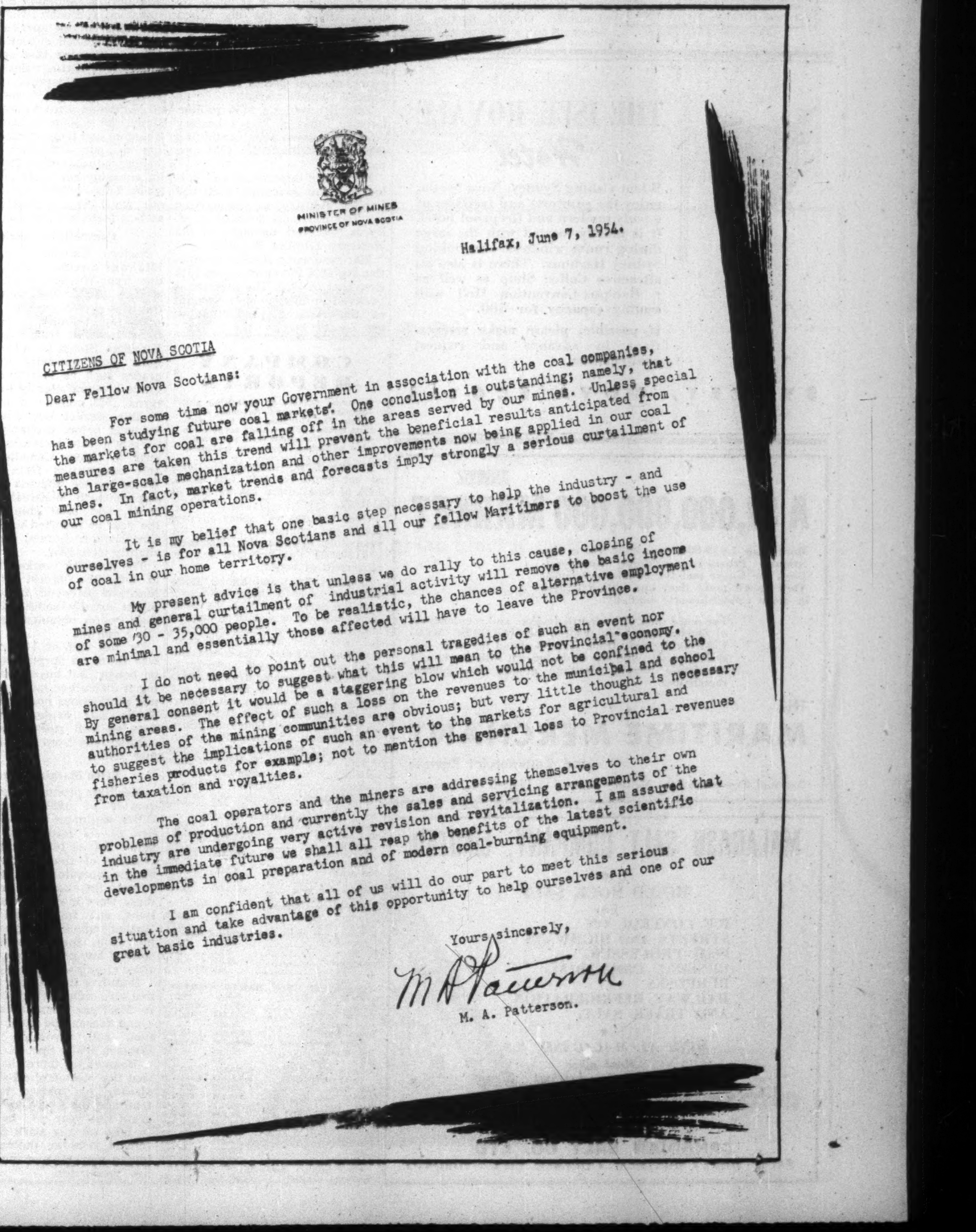
In order to meet demand for President Champagne, company intends to build a new cellar this year where the whole champagne operation will be consolidated. Cellar will have a capacity for processing and storing 500,000 bottles.

CONS. INCOME ACCOUNT

Years Ended Mar. 31:	1954	1953
Net sales	$3,393,179	$3,297,138
Net earnings	681,630	734,657
Less: Depreciation	138,902	136,922
Other int.	20,064	31,437
Income taxes	279,824	303,000
Net profit	242,840	263,298
Less: Pref. divds.	115,000	115,000
Surplus for year	127,840	148,298
Times All Interest Earned:		
Before deprec.	33.97	23.37
After deprec.	27.05	19.01
Earnings per Share and Dividend Record:		
Preferred	$2.43	$2.63
Paid	1.15	1.15
Common	1.28	1.48
None paid.		

CONDENSED CONS. BALANCE SHEET

As at Mar. 31:	1954	1953
Cash	$19,987	$30,414
Accts. rec.	367,639	392,673
Mtge. rec.	40,000	......
Inventories	2,157,555	2,156,425
Total curr. assets	2,585,181	2,579,512
Misc. assets	486,063	210,381
Fixed assets*	1,271,226	1,265,865
Total assets	4,342,470	4,055,758
Bank loans	517,388	344,297
Accts. & tax pay.	346,405	360,624
Total curr. liab.	863,793	704,921
Capital stock	2,800,000	2,800,000
Surplus	678,677	550,837
*After depr. of	1,377,460	1,303,066
Working capital	1,721,388	1,874,591



MINISTER OF MINES
PROVINCE OF NOVA SCOTIA

Halifax, June 7, 1954.

CITIZENS OF NOVA SCOTIA

Dear Fellow Nova Scotians:

For some time now your Government in association with the coal companies, has been studying future coal markets. One conclusion is outstanding; namely, that the markets for coal are falling off in the areas served by our mines. Unless special measures are taken this trend will prevent the beneficial results anticipated from the large-scale mechanization and other improvements now being applied in our coal mines. In fact, market trends and forecasts imply strongly a serious curtailment of our coal mining operations.

It is my belief that one basic step necessary to help the industry - and ourselves - is for all Nova Scotians and all our fellow Maritimers to boost the use of coal in our home territory.

My present advice is that unless we do rally to this cause, closing of mines and general curtailment of industrial activity will remove the basic income of some 30 - 35,000 people. To be realistic, the chances of alternative employment are minimal and essentially those affected will have to leave the Province.

I do not need to point out the personal tragedies of such an event nor should it be necessary to suggest what this will mean to the Provincial economy. By general consent it would be a staggering blow which would not be confined to the mining areas. The effect of such a loss on the revenues to the municipal and school authorities of the mining communities are obvious; but very little thought is necessary to suggest the implications of such an event to the markets for agricultural and fisheries products for example; not to mention the general loss to Provincial revenues from taxation and royalties.

The coal operators and the miners are addressing themselves to their own problems of production and currently the sales and servicing arrangements of the industry are undergoing very active revision and revitalization. I am assured that in the immediate future we shall all reap the benefits of the latest scientific developments in coal preparation and of modern coal-burning equipment.

I am confident that all of us will do our part to meet this serious situation and take advantage of this opportunity to help ourselves and one of our great basic industries.

Yours sincerely,

M A Patterson

M. A. Patterson.

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QUALITY LUGGAGE,
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LUGGAGE
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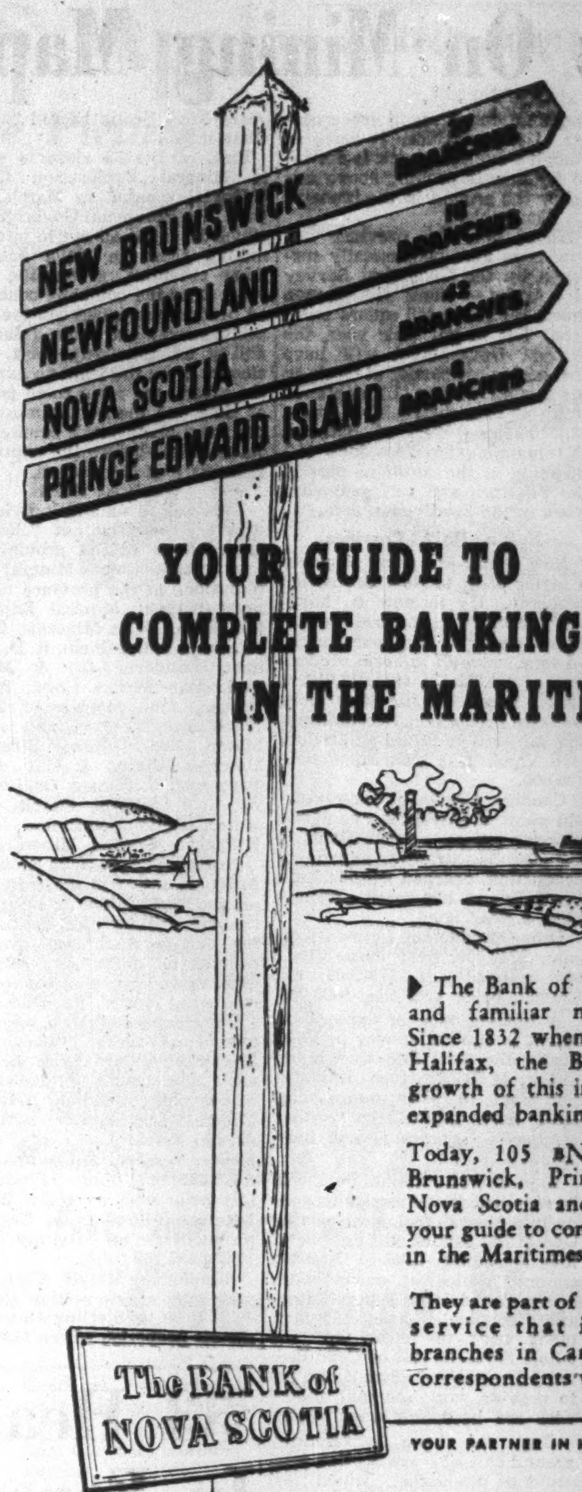
There's real moulded magic in Industrial Shipping's "Paceship" fleet of safe, family boats. They're sturdy, seaworthy and high spirited — made by skilled craftsmen trained in the great ship building tradition that produced the Bluenose and scores of other famous Nova Scotian sailing vessels.

And, because the eight standardized Industrial hull designs are moulded from laminated plywood, they can be built economically by mass production methods.

By combining the magic of old skills with modern methods, Industrial Shipping has put new life and vigor into a traditional Maritime Industry.

Industrial sells unfinished hulls, such as the 15-foot Model "O" shown here, to boat builders all over the world. It also finishes its own line of rugged, seaworthy Paceships — like the "Clipper", based on the Model "O" hull — for the Canadian Market.

Industrial Shipping
Company Limited
Mahone Bay
Nova Scotia, Canada



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COMPLETE BANKING SERVICE
IN THE MARITIMES

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Today, 105 BNS branches in New Brunswick, Prince Edward Island, Nova Scotia and Newfoundland are your guide to complete banking service in the Maritimes.

They are part of a world-wide banking service that includes over 400 branches in Canada and abroad and correspondents wherever men trade.

The BANK of NOVA SCOTIA

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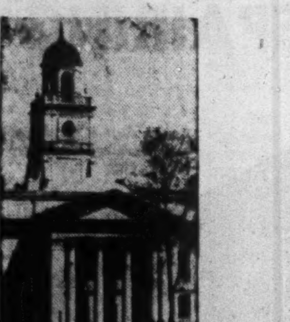
The Bank of Nova Scotia



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Three-year course leading to a licentiate in Music.

Three-year course leading to a certificate in Secretarial Science.

Three-year course in Engineering, with diploma, leading to final years in Nova Scotia Technical College and McGill University.

Two-year course leading to diploma in Home Economics.

Pre-Medical, Pre-Dental, Pre-Law and Pre-Nursing Courses.

For Information Apply to
THE REGISTRAR

New Pins On Mining Map

(Continued from page 48)

to 500 feet wide, with an average 7.52% manganese content.

Canadian Manganese believes this ore can be profitably concentrated. Strategic Materials has obtained encouraging results in manganese-iron deposits in the Woodstock area.

A drilling program near Welsford has proven large tonnages of kaolin silica. Research is continuing (at Ottawa) on suitability of the material for refractory deposits.

A mild staking rush broke out last summer with discovery of uranium in the Hampton area, where more drilling results are being obtained. Kingston Uranium Mines, a Saint John group, is reported to have "a 50-50 chance" for a mine.

Some 50 miles northeast of Fredericton, Burnt Hill Tungsten Mines has construction of a 100-ton mill well under way at its York County tungsten property.

It's been the biggest year in New Brunswick's mining history. Companies and individuals chalked up a record-breaking 41,616 claims during 1953 and 14 mining companies are newly inporated in New Brunswick with a combined capitalization of close to $38 millions. What's resulting is concentrated attention by major mining firms in every corner of the province. It looks as though New Brunswick is destined for minute probing above and below the ground in the immediate years ahead.

About half the province has now been aero-magnetically surveyed by the Geological Survey of Canada — there are 32 map sheets (of about 450 square miles each) left to go. This year, the Federal Government will have five geological parties at work on the ground making (1.) a detailed study of base metals at Bathurst (2.) mapping west of Bathurst (3.) mapping at Woodstock (4.) mapping in the southern part of the province and (5.) geological work in the Fredericton area.

Now a "Have" Province

New Mines are going to prove a major boost to New Brunswick economy. Up to now a "have-not" province in mineral wealth, New Brunswick last year recorded total value of mineral production of $11,732,174 ($11,077,019 in 1952), of which some $6 millions was coal production. Second ranking mineral in terms of production value was cement, at $2,125,000.

Canada Cement's three-year-old plant at Havelock, one of the few dry process cement plants in Canada, is steadily expanding production, reached 840,000 bbls. last year and may reach a million bbls. a year level.

Other production figures: gypsum, $340,000; peat moss, $100,000; natural gas, $150,000; oil, $20,000; brick and tile, $660,000.

A blanket type of exploration attack is also under way in Nova Scotia, the most intensive in the history of the province. Exploration rights to 15,000 square miles have been granted to various companies, syndicates and individuals.

Cape Breton National Park will be searched for minerals this year by two federal geological parties. One of the parties will use one of four helicopters used in Ottawa's summer geological survey work across Canada. The Federal Mines and Technical Surveys Department want to "clean up" the whole northern end of Cape Breton Island to see what it can get to provide work for coal miners who are becoming unemployed.

Coal has been representing around 85% of Nova Scotia's total mineral production, which last year reached $67,100,707. But coal has been losing ground, both relatively as other mineral production increases and actually as other fuel sources bite into coal markets.

Nearly all of the huge area under "closures" has been flown, using magnetometer and Scintillometer. Ground parties will follow up and within two or three years Nova Scotia should "know what it has."

First of the 33 closures went to Mineral Exploration Corp. (Minex), granted in March last year. The Provincial Government, which has gone all-out to interest mining firms in Nova Scotia's mine potential, grants the closures after the company concerned produces a signed contract for aerial survey and prove financial ability for follow-up work. The closure gives the right to explore the given area for a fixed period of time and the holder must apply for a prospector's license and stake claims before the expropriation date of the closure.

Who's At Work

Here are firms and individuals who are carrying out "closure" explorations in the province at the present time: Mineral Explorations in the province at the present time: Mineral Exploration Corp., Detta Minerals, Dome Mines, E. F. Creelman, R. D. Graham, Landover Oil & Mines, Mindamar Metals Corp., M. J. Boylen, John MacKenzie, C. R. MacKenzie, E. F. Cragg, A. J. Mason, Neal Gordon, Stratmat, Dawmac Mining & Oils, A. S. Bryson, J. R. Donald, Orin Bowlby, S. J. Jollatta, Merritt Feltmate, Colin Chisholm, Leon PaPrairie, Gordon Minerals Inc.

At Kennetcook, Nova Scotia Oil & Gas is active in the search for oil and is scheduled to bring in a heavier drilling rig. Drilling so far has gone through possibly commercial deposits of salt and gypsum and has encountered encouraging natural gas traces.

Barytes production is becoming more and more important in Nova Scotia, from one of the largest single deposits of barytes in the world. Canadian Industrial Minerals Ltd. operates a 400-ton mill in Pembroke County, where barytes reserves are estimated at 1,320,682 long tons. Production last year was a record 250,000 tons, about 98% of total Canadian production, up sharply from 1952's 133,569 tons.

Mindamar Metals Corp. last year sank a new vertical shaft to 1,150 ft. at its Sterling Mines base metals property, where new copper-lead-zinc deposits have been outlined to the north. The company operates a 600-ton mill on the property. Elsewhere during 1953 the Nova Scotia Department of Mines reports that diamond drilling and geological investigations were carried out on lead occurrences at Gay River and copper in Cumberland County.

The Department owns and operates 10 diamond drills available to private companies at just about cost. It recently acquired what it describes as one of the biggest drills in Canada, will use it this summer at Pictou County coalfields to determine the presence of a coal seam at a depth of 3,000 feet.

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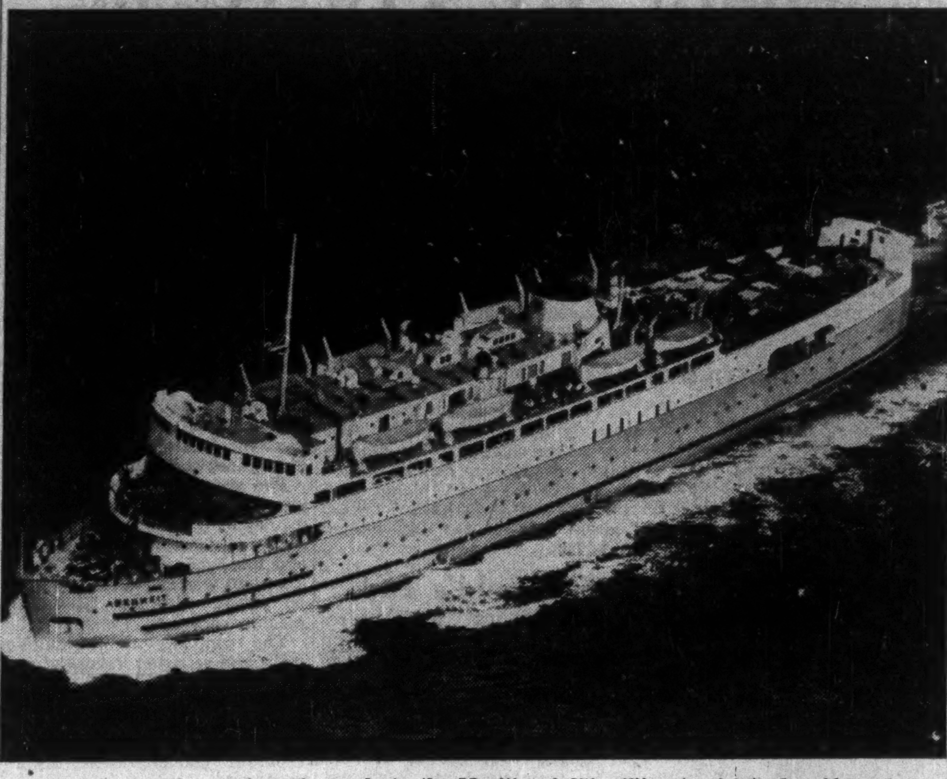

Car ferries play an important role in the Maritimes' $50-million tourist trade. Above is largest ice-breaking car ferry in the world, the CNR's Abegweit, which journeys between Cape Tormaton, N.B. and Borden, P.E.I. Ottawa has just announced a $1.5-millon program to connect Caribou, N.S., with Wood Island, P.E.I. by ferry. A $5-million, 300-passenger ferry is being completed for a Yarmouth, N.S., Bar Harbor, Maine, run.

Tourist Influx Seen Bigger, Wealthier In '54 Than Ever

Thanks to the happy combination of nature and the endeavor of man, the Maritimes have just passed their biggest tourist year in history. The halter-and-shorts brigade left behind some $50 millions last year in the three provinces.

This year they're going to come in greater numbers and pump more tourist dollars into east coast economy, if indications so far are borne out.

In each province enquiries, and expectations, are running higher than record-breaking 1953.

In Prince Edward Island, tourist and information director G. V. Fraser is confident the Island will top last year's $4.5 million tourist income. He looks for $5 millions. And he claims tourism is P.E.I.'s second-ranking industry, behind agriculture.

Nova Scotia last year entertained 450,000 visitors, many of whom came in 100,000 cars bearing foreign license plates, largely U. S. They spent close to $30 millions, a 20% increase over the year previously.

Says Nova Scotia Travel Bureau head George A. Herman: "Enquiries are up over last year. And our accommodation is increasing in quantity and quality. We're looking for a bigger year."

New Brunswick's travel trade is running better than $1 million a month, last year took in $15 millions.

Robert A. Tweedie's travel bureau last year received 28,000 enquiries. This year, in four months, almost 39,000 enquiries were handled by the bureau.

Reason for the increased tourist interest in the Atlantic Provinces is not hard to find. They've got a distinctive atmosphere, the seaside and vast stretches of sparkling white beaches, ideal scenery. They can offer hunting, fishing—at sea or inland—swimming, boating and much more. One thing they have for sale: rest.

All three provinces have intensified, well-defined machinery for telling U. S. and Canadian potential tourist customers all about it. It's a barrage of literature that's paying off in handsome terms.

At this year's Trade Fair at Toronto Prince Edward Island, New Brunswick and Nova Scotia took space side by side, essentially to promote their tourist trade, on the premise that what's good for one is good for all. The result was a total of 60 feet of "Maritime frontage" at the Trade Fair, a bigger splash and an eye-catching, customer-stopping display.

With more and more people coming to—and coming back—and others finding out about what the Maritimes can offer to the holiday-seeker, and with new ferries scheduled to come into service, multimillion-dollar highway construction and tourist accommodation construction under way, the east coast's tourist trade is still in the buildup stage from its springboard of $50 millions a year.

'53 Healthy Year In Forest Industry

Future Bright Too, As Seaway Promises Cheaper Transportation to Central Canada

The new Maritime philosophy of "more processing at home" is taking effect in the big forest products industry.

And the St. Lawrence Seaway should help the trend. Sawn lumber, furniture products, will gain easier, cheaper access to the big Central Canada market.

New Brunswick's $150 million forestry industry had a healthy year and outlook, with continuing expansion, is bright for 1954 (see page 52).

Here's the experience and outlook of the Maritime softwood lumber industry, as summarized for The Financial Post by A. F. Byers, secretary-manager of the Maritime Lumber Bureau:

Maritime sawn lumber production for 1953 increased about 15% over that of 1952. The increase is believed to be largely on account of the reduced production of pulpwood and pitwood during the same period. Dominion Bureau of Statistics estimates show 1953 production of all species in the Maritimes at 588 million feet.

It is estimated that some 530 million feet of this was softwood. According to reports received from the trade, 110 million of this softwood went to the United States, 80 million to the United Kingdom and Ireland, and 80 million to Upper Canadian markets leaving approximately 250 million for consumption by the domestic trade. This includes all the various wood-using industries such as box factories, stave mills, etc.

Competition Keen

Eastern Canadian spruce in 1953 was meeting keen competition from Western White Spruce in New England markets. Prices received by Maritime shippers were approximately equal to those received from the United Kingdom. Stocks from first family mills and specially promoted grades such as Maritime spruce grade brought slightly higher returns. 1953 volume of shipments to this market was down from the year before probably by 5%.

Freight rate increases in mid-year to Upper Canadian points and competition from Western White Spruce affected Maritime shipments to Montreal and Toronto, and total shipments for the year as reported to the Maritime Lumber Bureau were down slightly from 1952.

The domestic market continued to take the largest portion of Maritime softwood production at prices usually somewhat higher than were obtained from any other market.

By the end of 1953 not only was there no surplus lumber to be bought but buyers were finding it difficult to locate any planned productions not already sold. There was evidence too that dressing mill stocks were down substantially from their late summer levels.

Price Margin Narrow

Maritime production in the first quarter of 1954 according to D.B.S. estimates was 106,536 million ft.—72 million ft. or 40% below that of 1953's first quarter. Because of the narrowed price margin operators had been slow to start their season's production, there were fewer planned operations, and finally bad weather further reduced the expected output from these operations. In spite of low prices, sizeable quantities of pulpwood were produced.

Inquiries from Upper Canadian markets indicate lack of interest in Maritime construction spruce—one reason the good specification, and favorable price of Western White Spruce.

Meanwhile there is evidence that the volume of off-shore sales already has passed last year's total and the lively domestic program this year will be expected to take up any slack that might remain between dullness in the inland markets and the indicated low production.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

MOIRS, LTD., Halifax, consolidated net profit for 1953 was $4,503, 3.4% of consolidated net for 1952 of $151,472.

Over $100,000 was spent on new plant and equipment during the year, states President J. C. MacKeen, and $90,000 was provided for the retirement of bonds.

"Federal Sales and Excise Taxes continue to be a major problem," says the president. "With the ever-increasing cost of materials, supplies and freight and no increase in prices during the year, decline in net earnings was inevitable. The confectionery industry in Canada continues to suffer from a serious discrimination in the application of the Sales and Excise Taxes. Canadian manufacturers are required to pay these taxes on the basis of their wholesale prices, while importers are permitted to pay on the duty paid value. Legislation should be enacted to correct this inequity, which is undermining the Canadian candy industry," concludes Mr. MacKeen.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1953	1952
Net earnings	$204,339	$390,425
Less: Bond int.	12,150	14,925
Depreciation	187,686	152,028
Income tax	......	72,000
Net profit	4,503	151,472
Less: Pref. divds.	87,750	87,750
Surplus for year	†83,247	63,722
†Loss or deficit.		
Times Interest Earned:		
Before deprec.	16.82	26.16
After deprec.	1.37	15.97
Earnings per Share and Dividend Record:		
Preferred	$0.46	$15.54
Paid	9.00	9.00
Common	d5.37	4.11
Paid	nil	nil

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1953	1952
Cash	$80,371	$121,183
Accts., etc., rec.	943,993	925,464
Tax refund, est.	26,000	......
Inventories	1,039,320	1,108,405
Total curr. assets	2,089,684	2,155,052
Def. chgs.‡	29,749	18,616
Misc. assets	290	290
Fixed assets after depr.	1,408,826	1,493,391
Total assets	3,528,549	3,667,349
Due bank	351,978	277,793
Accts., tax., etc. pay.	588,556	635,479
Divd. pay.	53,675	53,295
Ser. bonds due	90,000	90,000
Total curr. liab.	1,084,209	1,056,567
Invent. res.	400,000	400,000
Funded debt	270,000	360,000
Capital stock	990,500	990,500
Surplus	783,840	860,282
‡Incl. in curr. assets in co's report.		
Working capital	1,005,475	1,098,485

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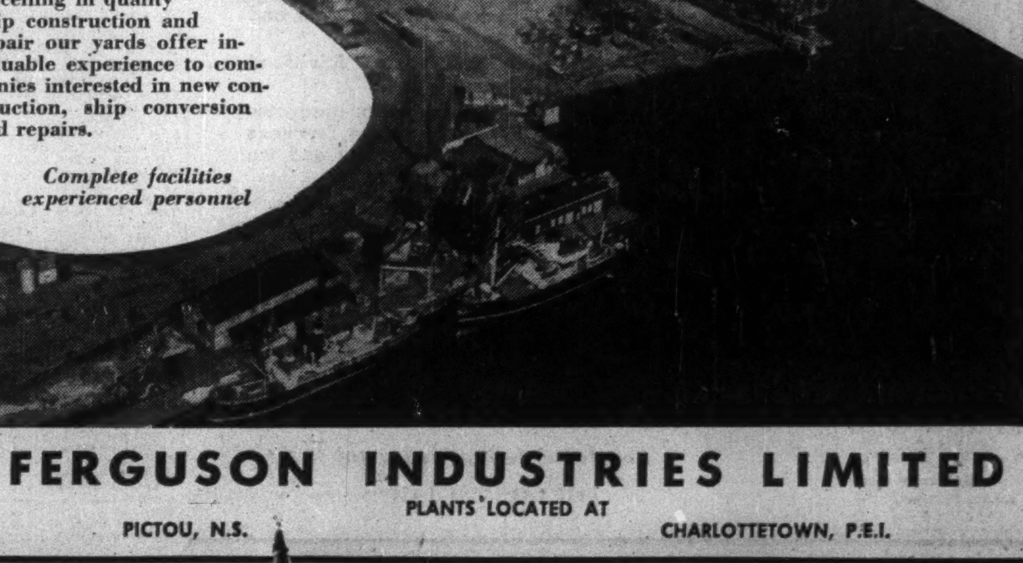

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They're Putting New Color In The Famed N.S. Apple

British Market Bright, Foreground Of Optimistic Maritimes Agriculture Picture

More processing at home . . . specialization, along with diversification . . . these are the bright new banners of Maritime agriculture.

Take in the quality long associated with Maritime farm products and widespread mechanization and farm electrification and you've got bedrock for long-term prosperity in the picturesque patchwork of east coast farms.

But there's one basic need not in the hands of hardworking Maritime farmers: freer trade.

Last year total farm cash income for New Brunswick, Nova Scotia and Prince Edward Island was $102,140,000, down sharply from 1952's $117,611,000, partly because of lower prices, largely because the bottom fell out of the unpredictable potato market.

Nova Scotia, however, which doesn't rely as heavily on potatoes as New Brunswick and Prince Edward Island registered a slight gain in farm cash income: $37,749,000 in 1953 against $37,388,000 in 1952. The breakdown for the other two provinces: New Brunswick, $41,851,000 ($48,943,000); Prince Edward Island—which counts agriculture as its leading industry—$22,540,000 ($31,281,000).

Biggest worry on the Nova Scotia farm front has been with the famed Nova Scotia apple. Things this year, however, appear to be brightening for a variety of reasons.

First of these is markets.

"With hopes and expectations of the British market returning this year, there's a greater optimism among the apple growers than in the past 15 years," Nova Scotia's Deputy Minister of Agriculture F. W. Walsh told The Post.

But there's more than markets behind the new optimism.

Planning Pays Off

A long-term program designed to alter the varieties (and color) of apples produced in N. S. is beginning to pay off. In 1943, there were over one million trees removed from Nova Scotia farms because of the loss of the U. K. market and to change over to a redder apple, aiming at the Canadian market. Now the U. K. wants a red apple too.

In 1941 Nova Scotia was growing only 16% of "approved varieties." In 1953, that figure was up to 54.4%—and it's still climbing. The "approved varieties" making up the 54.4%: Gravenstein, Mace and Cortland, Delicious, Spy, Rome.

The new varieties are being packaged in boxes, replacing the former barrels and cutting down on bruises in handling. Cold storage plants line the apple districts so that apples can "get into cold storage inside of 24 hours after they're picked."

"We've changed from a seller of second grade apples into a seller of first grade apples," says Mr. Walsh. "And we don't mind sticking our apples up against anybody's apples."

At the Commonwealth Fruit Growers Conference in the U. K. last year it was decided that, once currency troubles were cleared up, Canadian apples would be shipped between Dec. 1 and March 31, competing with British, Dutch and Italian grown apples, but not Australian, New Zealand and Argentine varieties which arrive in June.

Nova Scotia has been hit with three years of small apple crops, running from one-two million boxes a year, "which is about one-third of the crop possible." Last year the crop was just about one million boxes (against an annual average prior to 1941 of 4.5 million boxes).

Processing On Increase

Before the war, the province shipped 400,000 cases of canned apples a year to the U. K. Now, or up until this year: none. Processing, however, is becoming a bigger and bigger factor in the apple industry, now largely directed at the Canadian market. Over half last year's million-box crop was processed before it left the province.

The industry is still short of the $10-million industry it should be, thinks Mr. Walsh. It should make up one fifth of farm cash income, he says. Instead, in a recent breakdown, all Nova Scotia fruits made up only 4.3% of total farm cash income. Rest of the breakdown reads like this:

Dairy products: 22.4%.
Poultry and eggs: 19.2% (up sharply in recent years).
Cattle and calves: 18.7%.
Forest products: 16.4%.
Hogs: 10.7%.
Field crops: 3.5%.
Sheep: 3%.
Miscellaneous: 1.8%.

While dairying and livestock are and probably always will be Nova Scotia's prime farm industries, there's room for expansion in potatoes. That too should be "a $10 - millions - a - year industry," thinks Mr. Walsh.

Extent of postwar mechanization in Nova Scotia agriculture can be seen from these figures: There are roughly 7,000 tractors in the province for some 15,000 commercial farms. That's one tractor for every two farms; average farm acreages is 45-50 acres. While number of tractors has climbed 50% since 1951, it's thought rate of farm equipment sales will slow down now.

The P. E. I. Picture

In Prince Edward Island there is concerted, government assisted effort toward more processing within the million-acre province. A bill passed at the last session of the legislature authorizes government assistance by way of loans, grants or guarantees to the amount of $500,000 for the processing of agriculture, horticulture and fishery products. The scheme is aimed chiefly at farm production.

"We would like to see more processing at home of existing production, rather than shipping products out for processing, then buying them back again," Premier Matheson told The Post. "We have transportation and electric power difficulties, but a stable labor force. We hope to build up processing based on native primary production and export processed products all over Canada and elsewhere."

This trend toward more processing in P. E. I. is already evident, in a new potato chip factory, the first on the Island, a new canning plant and extensive additions to the Central Creameries plant to process evaporated milk, whole milk and skim milk powder as well as butter and ice cream. In Prince County, Amalgamated Dairies Ltd. has been formed by six rural dairy concerns. Central Creameries and Amalgamated now handle the bulk of P. E. I. dairy products.

The rich red clay-loam soil and specialization make potatoes P. E. I.'s main cash crop, with quality of its seed and tablestock potatoes recognized throughout the world. But farm experts are aiming at more diversification, with less emphasis on potatoes. There are two chief reasons for this:

—The unpredictability and wide fluctuations in the potato market.

—An evident decline in North American consumption of potatoes.

A Rough Potato Year

It's been a rough year for the potato farmer. In 1951, after several unprofitable years, potato acreage was low throughout Canada and the U. S. The result: potatoes zoomed up to a dizzy $4.80 a bushel. The natural result was greatly increased acreage.

The result: a glut of potatoes on U. S. and Canadian markets and a market price as low as 30c a bushel in April of last year.

In August of 1953, Prince Edward Island signed an agreement with Ottawa whereby Ottawa guaranteed an initial payment to farmers of 45c a bushel.

In December, initial payment price went up to 50c a bushel in P. E. I. and to 55c from April to the end of the shipping season. Though the price was designed as an "initial payment" it actually became a support price, with the net result that Ottawa will pump an additional $1.5 millions into P. E. I. this year.

New Brunswick was also hard hit by the antics of the potato market. Value of potato production in N. B. in 1953 dropped to $5,595,000 from $13,169,000 in 1952, despite increased potato acreage and production of over 13 million bushels in 1953 against some 10 million in 1952. (For all Canada, potato production was up 7 million bushels in 1953 over the previous year.)

This year, New Brunswick potato acreage has been shaded to 90% of last year's—43,600 acres against 48,400.

New Brunswick entered into an "initial price" agreement with Ottawa later than P. E. I. Initial price, or advance, in N. B. up to Dec. 31, 1953, was 40c bushel. From Jan. 1 to March 31 this year, 45c per bushel and from April 1 to June 30, 55c.

Both province's are attempting to keep potatoes "within market confines."

In Prince Edward Island the stress is on "mixed farming, livestock, poultry, some potatoes, with a trend toward grassland farming as a cheaper means of feeding livestock."

Fertilizer Use Spreading

It's felt by P. E. I. farm experts that the Island has been importing too much grain and not specializing enough on the growing of grass for silage and pasturage. Fertilizer, as a means of doubling the carrying capacity for grazing and enabling two to three cuts for silage, is coming more and more into use in P. E. I. At one time fertilizer was confined to potato acreage.

Prince Edward Island hog population, basis of a leading farm industry, was drastically cut last year when support price was lowered to 23c from 26c. But market price never did get down below 25c and has since climbed back to 35c, with a resultant increase in hog population. Some 52% of Prince Edward Island's "superior bacon type of hogs" goes grade A, against a national average of 28%.

In New Brunswick, diversification is taking a variety of forms. Sparked by the provincial department of agriculture, which established a seed cleaning centre at Hartland, a specialized seed enterprise is developing — seed grain and forage and cereal crop seed—in the northern and central part of the Saint John River valley.

A farmers' co-operative (N. B. Seed Growers Assn.) has taken over the plant and it is now operating on a commercial basis, finding markets in both Canada and the U. S. The plant has firm orders for this year's seed oat crop from the U. S., now being grown for delivery in the winter of 1955. This represents 150,000 bushels of grain or registered and certified quality not subject to U. S. grain import restrictions.

On present forecasts, the plant will handle upwards of a million lbs. of timothy and clover seeds this year, up from 1953.

Livestock population for both beef and dairying has increased in the province—and is gradually increasing in the potato areas, according to E. M. Taylor, director of field husbandry service of the N. B. department of agriculture. Here's what he sees in outlook and trends for New Brunswick farms:

Processing: Interest growing. Preliminary work under way on expanded processing within the province and some canning and freezing operations now established to a limited degree (e.g. frozen strawberries).

Mechanization: Has advanced rapidly in the province and has now reached a point where it will not advance as rapidly in the next year or two. (The province will shortly be 100% electrified.)

Labor supply: A problem in recent years, but now adequate as migrant N. B. workers return from such projects as Labrador iron, woods and coal operations curtailed and immigrants help swell the supply. When Camp Gagetown gets into full construction, however, labor supply may tighten again.

Hogs: Prices good at the moment and number of sows bred last year show increase. But the "pig crop," though bigger than last year, will not be as large as anticipated.

Cattle: Prices strengthened, cattle population up slightly, fall marketings probably up.

Sheep: Population up and uptrend continuing. Good lamb crop anticipated and current wool prices firm.

Horses: Population climbing as movement from West decreases and horses became "scarce" in Canada.

Chicken hatch: Up in 1954, though current egg and dressed poultry prices down from a year ago. Turkey hatch, also up.

Horticulture: Good spring bloom for apples, berries, prices good. New plantings of apple trees in pace with death of old trees. Blueberries (a $440,000, 4-million lb. N. B. business) in good bloom, large areas burned over in 1953 for anticipated big 1955 crop.

Field crops: Good prospects for grass and clover crops; surplus stocks of old hay cleared out giving added outlets for 1954 crop. Tentative acreage for grains same as in 1953; plantings late in some regions, but, subject to favorable growing season, average crop anticipated.

Potatoes: Hope 1953 surplus will be largely marketed, but it won't be all marketed. Market outlet to South America brightened last year; this year's production outlook good (for reduced acreage), but market outlook still clouded.

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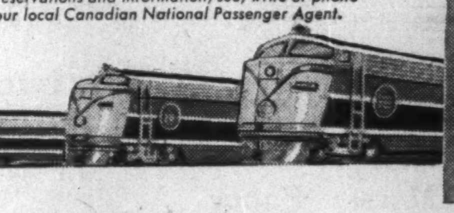

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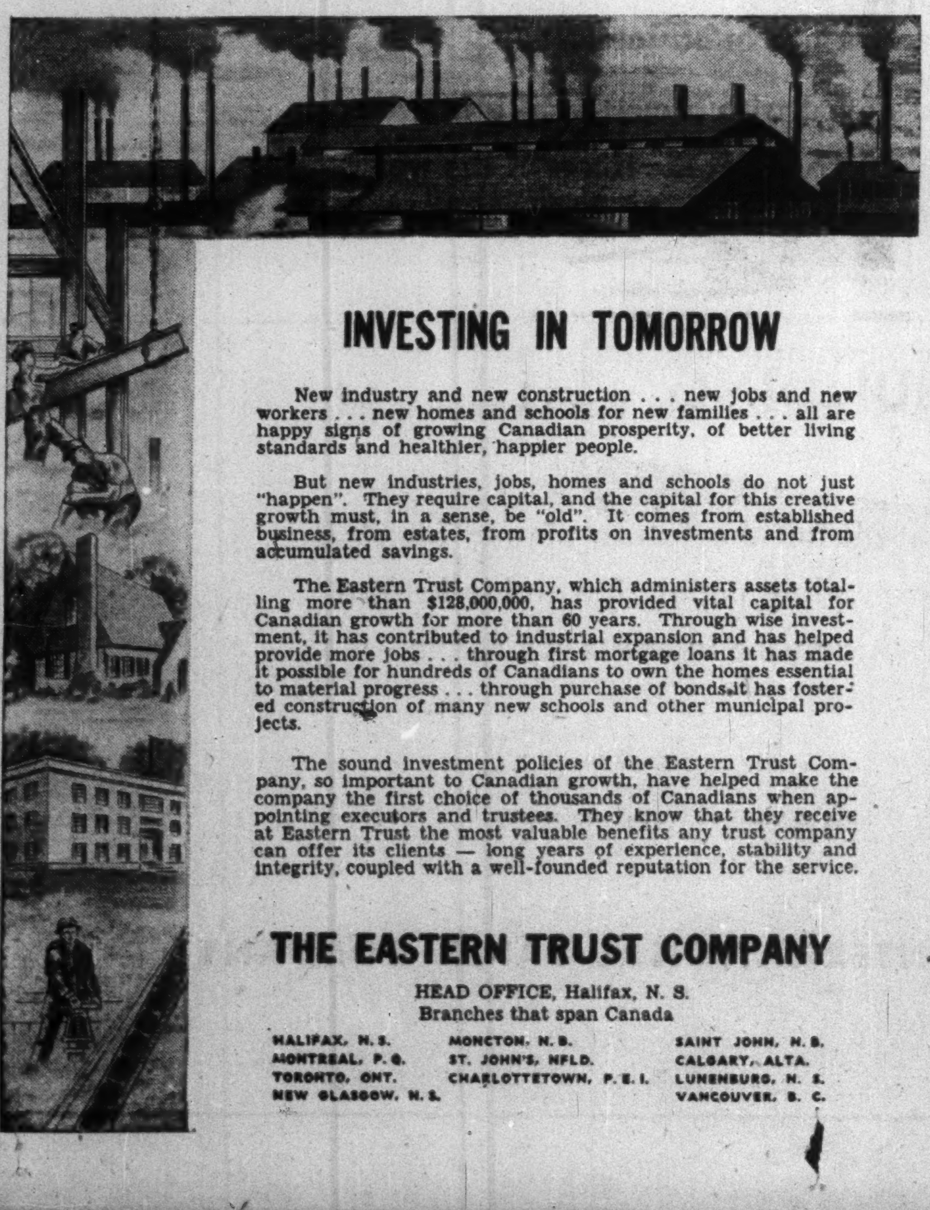

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New industry and new construction . . . new jobs and new workers . . . new homes and schools for new families . . . all are happy signs of growing Canadian prosperity, of better living standards and healthier, happier people.

But new industries, jobs, homes and schools do not just "happen". They require capital, and the capital for this creative growth must, in a sense, be "old". It comes from established business, from estates, from profits on investments and from accumulated savings.

The Eastern Trust Company, which administers assets totalling more than $128,000,000, has provided vital capital for Canadian growth for more than 60 years. Through wise investment, it has contributed to industrial expansion and has helped provide more jobs . . . through first mortgage loans it has made it possible for hundreds of Canadians to own the homes essential to material progress . . . through purchase of bonds it has fostered construction of many new schools and other municipal projects.

The sound investment policies of the Eastern Trust Company, so important to Canadian growth, have helped make the company the first choice of thousands of Canadians when appointing executors and trustees. They know that they receive at Eastern Trust the most valuable benefits any trust company can offer its clients — long years of experience, stability and integrity, coupled with a well-founded reputation for the service.

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SERVICE...

This company plays an important and continuing role by supplying good electric service to almost half of the electric customers in Nova Scotia, a province with a balanced economy . . . whose people are self sufficient and thrifty . . . who, under the free enterprise system, have had the opportunity to make free use of their savings, skills and abilities, and to make profit therefrom.

Halifax NOVA SCOTIA LIGHT AND POWER COMPANY LIMITED Nova Scotia

Here's Pulp, Paper Firm Progress

Bathurst P & P

Bathurst Power & Paper Co., Bathurst, N.B., produces cylinder boards, including patent coated bleached manilla, pulp and screening and colored boards, Fourdrinier boards, including kraft liner and kraft corrugated boards; and high grade unbleached sulphite pulp.

The company operates a large plant at Bathurst, N.B., as well as a hydro-electric plant which distributes electricity for power and lighting purposes in the Bathurst area. Through subsidiaries the company output of kraft products and boxboards is sold throughout Canada, with agents in England and Australasia.

Two of its subsidiaries — Shipping Containers Ltd., Montreal, and Kraft Containers Ltd., Hamilton—turn out corrugated shipping containers and similar products from kraft liner and corrugated board.

The company's output of kraft products and boxboards is sold principally in the domestic market and to the United Kingdom and Australasia. Unbleached sulphite is sold in United States with some sales in the domestic market and the U. K.

Leasehold timber limits in New Brunswick and Quebec total over 2,700 sq. miles, containing an estimated 14 million cords of pulpwood. Areas in New Brunswick are located upriver from the Baie de Chaleur, while those in Quebec are on the Bonaventure and Cascapedia River, also flowing into Baie de Chaleur. Up to date some 404 miles of main truck roads, together with many additional miles of truck roads have been constructed and are in operation to service and protect these timberlands.

Consolidated net profit in 1953 was $1,974,797, up 8.2% from the 1952 net of $1,825,895. President R. L. Weldon states that the improved result was mainly attributable to a further improvement in operating efficiency and to greater volume of business transacted.

Total tonnage manufactured by mills was 136,418 (126,546 in 1952), and included 102,211 (87,218) tons of container boards, 22,526 (20,629) tons of boxboards, and 11,681 (18,699) tons of pulp. Container plant converted 54,810 (54,066) tons of container boards. Capital expenditures of $752,235 included cost of a new diesel electric locomotive.

For the first quarter of the current year ended March 31, 1954, net profit amounted to $432,330—up sharply from the same period of last year when net amounted to $277,437. Working capital at the end of the test period was nearly double the previous year's figure at $14,048,027 against $7,157,864.

Fraser Companies

Fraser Companies Ltd., directly and through wholly owned subsidiaries, produces sulphite and groundwood specialty papers, chemical wood pulps, groundwood pulp, paperboard and lumber products.

Properties include a sulphite pulpmill, groundwood pulpmill, sulphite and sulphate bleaching plant and paperboard mill at Edmundston, N.B., an unbleached sulphate pulpmill at Newcastle, N.B.; and sawmills and dressing mills at Cabano, Que., and Plaster Rock, N.B.

Restigouche Co., one wholly owned subsidiary, operates a bleached sulphite mill at Atholville, N.B., Fraser Paper Ltd., the other, operates a paper mill at Madawaska, Maine, producing bond and catalogue specialty papers.

Net sales in 1953 amounted to $47,970,668 compared with $47,188,123 the previous year. Net profit was $2,973,739 as against $3,455,575 in 1952.

Paper and paper products sold by the company increased to 243,192 tons in 1953 from 227,779 tons. Pulp manufacturing was curtailed at the beginning of the year, but sales increased and normal operations were maintained throughout the balance of 1953, although bleached and sulphite pulp production at Atholville was below capacity.

Capital expenditures and improvements to plant and properties amounted to $2,641,330 compared with $3,019,528 in 1952.

Working capital of the company at December 31, 1953, was $10,941,935 compared with $10,378,322 a year earlier.

Irving P & P

Irving Pulp & Paper Ltd. owns and operates a pulp mill at Fairville, N.B., at the mouth of the St. John River. Its name was changed from Saint John Sulphite Ltd. in 1952. Daily capacity totals 130-140 tons of bleached sulphite pulp. A large expansion program now nearing completion, however, will increase this to 200 tons of sulphite daily and, in addition, provide capacity for turning out 250 tons of bleached kraft pulp daily.

Expenditures on the big program, which involves completely rebuilding and enlarging the present mill, will total around $18 millions. The company's timber limits comprise an undivided freehold interest owned in timberlands in the north-eastern section of Maine, totaling 51,345 acres plus 68,715 acres of timberland in Carleton and York Counties of New Brunswick. It is estimated that these areas contain 656,590 cords of spruce and balsam in addition to stands of pine, cedar and hardwood.

Irving Pulp & Paper also has a 29.6% interest in the outstanding and preferred common shares of Allagash Land Co., which owns 85,144 acres of timberland in Maine containing an estimated 537,915 cords of pulpwood. It is reported that the present timber limits are sufficient to support the company's expanded operations.

Financial and operating statements are not submitted for publication by the company.

Mersey Paper

Mersey Paper Co. owns and operates newsprint mill at Brooklyn, on Liverpool Harbor in Nova Scotia. Capacity is 128,000 tons of newsprint annually and the mill is equipped with the necessary groundwood and sulphite equipment for the newsprint making operations.

A great advantage of the mill location is being on ice-free tide water which permits both deep water and rail shipments throughout the year.

The company's two high speed paper machines have a capacity of 420 tons a day. Power is obtained from the Nova Scotia Power Commission development on the Mersey River, 16 miles from the mill site.

The company's 900 sq. mi. of timber lands are estimated to hold 2.4 million cords of pulpwood. Additional timber lands costing $2.5 millions were bought in 1948. The company also buys pulpwood under a contract with the Nova Scotia Government.

The company is marketing its product in the U. S., New Zealand and the Maritimes. A subsidiary company operates four steamships.

The 1953 figures are not yet available but during 1952 the company's net profits amounted to $2,534,246 as against $2,723,325 in 1951. Production of newsprint in 1952 was 132,931 tons, a record and an increase of 8,841 tons over 1951. Net capital expenditures in 1952 totaled $840,338 and funded debt was reduced by $200,000 to $800,000.

Minas Basin

Minas Basin Pulp & Power Co. manufactures groundwood pulp and paperboard, as well as carrying out extensive lumbering operations.

The capacity of its Hantsport, N.S., mill is 85 tons of bleached and 15 tons of unbleached air dry tons of groundwood pulp daily. Most of the ground pulp is sold to Scott Paper Co. in the U. S. (installation of the bleaching plant was completed June, 1951). The paper board mill has a 24-hour capacity of 50 tons.

The company owns over 300,000 acres in timber and operates two power plants on the St. Croix River with a combined capacity of 7,100 hp. Additional power requirements are bought from Nova Scotia Light and Power Co.

The company's wholly owned subsidiaries include Minas Shipping Co., Mapleleaf Lumber Co., Minas Stevedoring Co., Annapolis Basin Pulp & Power Co. and Portneuf Investments Ltd. The company also controls Bishop Asphalt Papers Ltd., Canadian Keyes Fibre Co. and Minas Transport Ltd. Associated companies include Standard Woodworkers Ltd., Parrsboro Lumber Co., Dartmouth Lumber Co., and Annapolis Valley Canners Ltd.

Net profit in 1953 amounted to $194,172—29.1% lower than the 1952 net of $273,770. Groundwood pulp shipments were 29,224 air dry tons compared with 27,175 in 1952. Paperboard shipments increased from 7,274 tons to 7,729 during the year, while shipments of lumber amounted to 15,046,672 superficial feet, compared with 17,921,081 for 1952.

Managing Director J. J. Jodrey reports that 1953 capital expenditures amounted to $252,000 to provide for new machinery and a building, with further expenditures of approximately $150,000 envisaged during 1954 to complete the installation of a new automatic pulp molding machine and other equipment. The new installation, expected to be in operation by August of this year, will increase tonnage capacity of molded pulp products to 11 tons daily. He reports that groundwood pulp shipments in 1954 to date in excess of shipments for the corresponding period of 1953.

The Canadian Keyes Fibre Co., a wholly owned subsidiary which manufactures molded pulp, pie plates, reported a successful year with sales reaching an all time high in 1953. The company is currently doubling its daily production of 400,000 units.

N.B. Inter. Paper

New Brunswick International Paper Co., a subsidiary of Canadian International Paper Co. operates a large newsprint mill at Dalhousie, N.B., on the Baie de Chaleur. Daily capacity of its four paper machines totals about 800 tons of newsprint (247,200 tons annually on a 309-day basis). A wrapper machine has a daily capacity of about 28 tons.

The mill is fully equipped to produce all its own regular pulp requirements. Steam and electric power is purchased from Gatineau Power Co., the purchased power sometimes being supplemented by use of steam to generate electricity in the company's own turbine.

Timber limits of New Brunswick International cover some 1,530,000 acres. A successful assault against the spruce budworm was launched by the company over a 200,000-acre block of its limits in 1952. Following this it joined three other companies and the New Brunswick Government in the formation of Forest Protection Ltd. to conduct a much larger spraying operation. Forest Protection Ltd.'s program, involving over one million acres, is now under way.

Individual financial and operating statements of New Brunswick International are consolidated, along with those of Canadian International, in the statements of International Paper Co. Last year, International Paper produced 4,074,160 tons of paper, up from 3,819,229 tons the previous year.

St. George P & P

St. George Pulp & Paper Co. operates a pulp mill at St. George, N.B. The company is one of the oldest groundwood processing plants in Canada. It is one of the few Canadian mills to produce bleached groundwood pulp for sale.

In 1949 the company added a bleaching plant to bleach groundwood by the sodium peroxide process—the first operation of its kind in Canada.

Its mill at the mouth of the Magaguadavic River has an annual capacity of 25,000 tons. About 80% of the production is bleached and sold under the trade name of "Fibrewhite," while the balance is sold in unbleached form. Export sales account for nearly all of the total shipments.

After being destroyed by fire in 1946, the company mill was rebuilt and enlarged with production capacity increased by about 20%. The mill was completely electrified with each machine motor driven individually and more modern pulp machines being installed.

History of the St. George mill dates back to 1902 when it was established by New York interests. In 1932, control was acquired by Edouard Lacroix, St. Georges de Beauce, Quebec, and Senator Page of Maine. Extensive repairs were made at that time, particularly to the dam, and additional equipment was installed. In 1947, Antoine Lacroix of Saint John secured Senator Page's interests.

The company does not issue its financial figures for publication. Antoine Lacroix told The Post that not much change has taken place at the company's plant in 1953. He said it was a fairly busy year, although the plant was operated at 75% capacity.

"Just the same, our operation rate is one that we call satisfactory," he stated.

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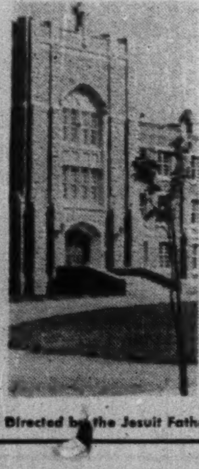


Directed by the Jesuit Fathers

MORE..

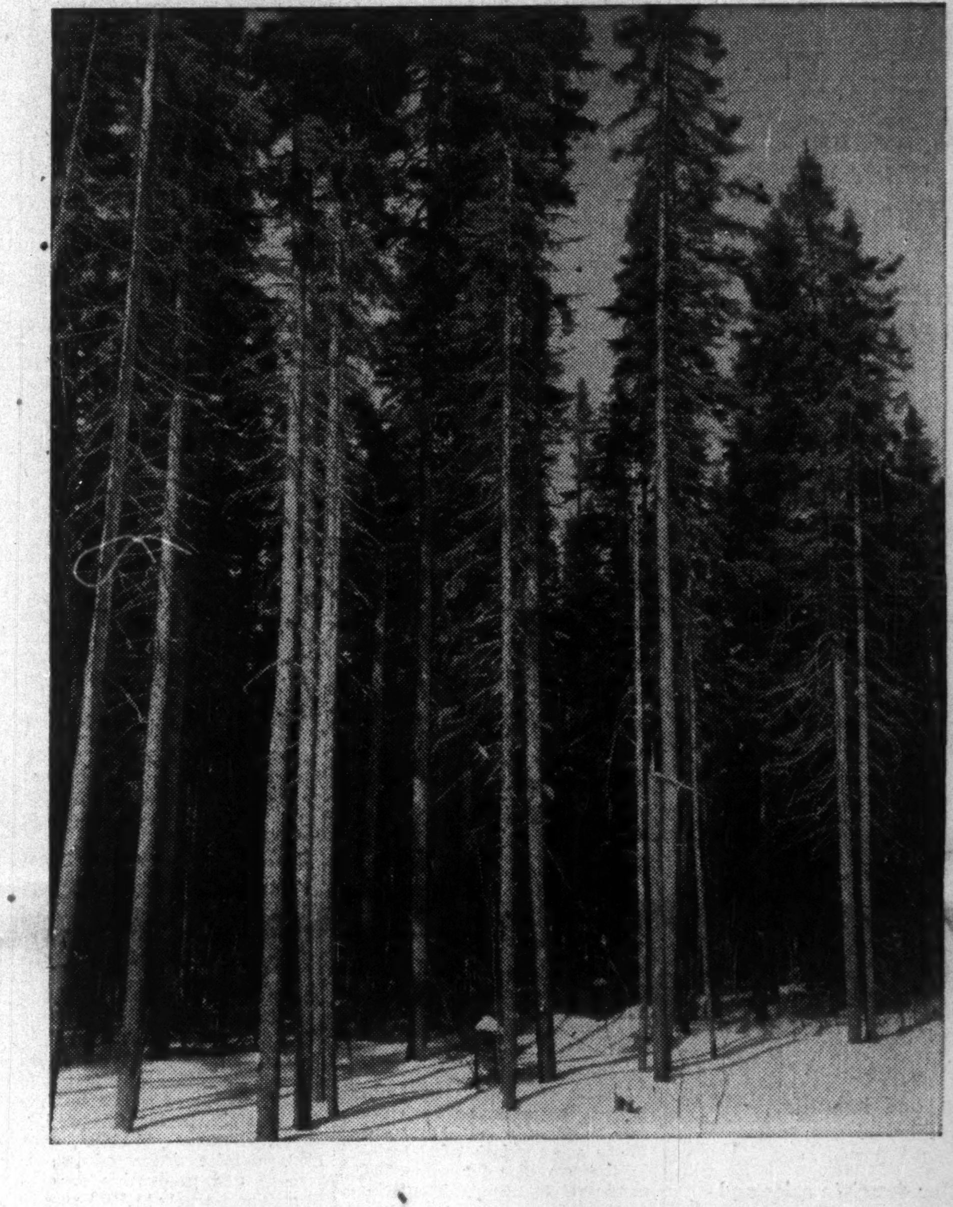
INVESTORS TRUSTEES HOMEOWNERS .....turned to ECS&L in '53

The ECS&L story for 1953 is summed up in one word "more" . . . more investors, more borrowers and more profits. Here are the facts you should know about ECS progress last year:

- Dividends were up from $1.08 per share in 1952 to $1.35 per share last year.
- Sales of debentures—prime trustee investments—topped $1,300,000, a clear 10% increase.
- Mortgage loans were up more than $1,350,000.
- Reserves increased $40,000.
- Holdings of stocks and bonds rose $357,000.
- Total assets were up from $17,610,000 to $18,806,000.

The Eastern Canada Savings and Loan Company

HALIFAX — NOVA SCOTIA



The Challenge of The Forest

The forests of Canada are in business.

They must be developed with a continual awareness that they are competing against the fibers of the world in world markets. We must all work toward productive, economical tree crops.

We will need cooperation and imagination as we advance further and further into this technological Age of Cellulose.

I have no fears at all for the future of our forests, even in a world of expanding population and industrial use, if we work together in the interests of Canada.

From an address given on April 22, 1954 by Vernon E. Johnson, President, New Brunswick International Paper Company, before the Conference on Natural Resources.

NEW BRUNSWICK INTERNATIONAL PAPER COMPANY